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ABSTRACT

The impact of the Middle Income Student Assistance Act (MISAA) on the distribution of financial aid to middle income students was assessed. A group of 172 colleges and universities that participated in a baseline study prior to the introduction of MISAA plus three additional schools were studied. Only a subset of the original student sample was recontacted. Data collection efforts consisted of a student questionnaire, a record review, and financial aid officer interviews. Study questions included the following: (1) Has the middle income student benefited from MISAA? (2) Has MISAA affected students' applying for financial aid and their resulting access to such assistance? (3) What effect has the retargeting had upon the original beneficiaries of the Basic Grant program (the low income students)? (4) How has MISAA affected the distributional relationships between and among the various federal aid programs and other sources of student support? (5) What effect has MISAA had upon institutional distributive patterns? A description of institutional student sampling procedures and sample data collection instruments and student followup letters are appended. (SW)

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STUDY OF THE IMPACT OF THE MIDDLE INCOME STUDENT ASSISTANCE ACT (MISAA)

FINAL REPORT

March 31, 1980

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
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TABLE OF CONTENTS

Chapter		Page
1	INTRODUCTION	1.1
	Background	1.1
	Provisions of MISAA	1.2
	Contents of This Report	1.3
2	STUDY METHODOLOGY	2.1
	Introduction	2.1
	Selection of Institutions	2.1
	Selection of Students	2.2
	The Survey Instruments	2.3
	Assessment of Data Quality	2.3
	Attachment to Chapter 2 -	
	Pre-Site Visit Logistics	2.13
	Selection and Training of Interviewers	2.14
	Conduct of Site Visits	2.15
	Implementation of the Student Mail Survey	2.16
	Edit and Code Completed Instruments	2.18
	Creation of Data Files	2.18
	Sample Weighting	2.19
3	THE IMPACT OF MISAA ON THE DISTRIBUTION OF FEDERAL FINANCIAL AID FUNDS	3.1
	Introduction	3.1
	Has the Middle Income Student Benefitted from MISAA	3.1
	What Has Been the Effect of MISAA on the Low Income Student: Have We "Robbed Peter to Pay Paul?"	3.10
	The Effect of MISAA on the Relationship Between Various Sources of Student Financial Assistance	3.11
	The Effect of MISAA on the Distribution of Funds to Institutions	3.23
4	FINANCIAL AID OFFICERS' PERCEPTIONS OF THE IMPACT OF MISAA	4.1
	Introduction	4.1
	Perceived MISAA Impact	4.2
	Summary	4.15
	APPENDIX A - Institutional Student Sampling Procedures	
	APPENDIX B - Data Collection Instruments and Student Follow-Up Letters	

LIST OF TABLES

Table		Page
2.1	Student Survey Response and Completion Rates for 1978-79 and 1979-80 Surveys	2.8
2.2	Comparison Between Nonrecipient Respondents and Non-Respondents	2.10
3.1	Estimated Distribution of Federal Student Financial Assistance Programs to Undergraduate Students by Total Family Income and Dependency Status*: Academic Year 1978-79 vs. 1979-80	3.1
3.2	Percentage of Students Applying for Financial Assistance, 1978-79 vs 1979-80 by Income Level and Institution Type . .	3.7
3.3	Percentage of Students Receiving Federal Student Aid by Dependency, Income and Type and Control of Institution . .	3.8
3.4	Percentage of Students Receiving Any Type of Financial Aid 1978-79 vs 1979-80 by Income, Dependency, and Type of Control of Institution	3.9
3.5	Percent Change in the Absolute Magnitude of Federal Student Assistance Funds by Student Dependency and Total Family Income: Academic Year 1978-79 vs. 1979-80	3.10
3.6	Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Four-Year Public Institutions: Academic Year 1978-79 vs. 1979-80	3.12
3.7	Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Four-Year Private Institutions: Academic Year 1978-79 vs. 1979-80	3.14
3.8	Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Two-Year Public Institutions: Academic Year 1978-79 vs. 1979-80	3.16
3.9	Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Two-Year Private Institutions: Academic Year 1978-79 vs. 1979-80	3.18

LIST OF TABLES (Continued)

3.10 Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Proprietary Institutions: Academic Year 1978-79 vs. 1979-80 . . . . . 3.20

3.11 Percent of Budget Met by "Base" Financial Resources by Dependency, Income and Institution Type: 1978-79 vs. 1979-80 . . . . . 3.22

3.12 Dollar Amounts of USOE Program Allocations, 1978-79 vs. 1979-80, by Program and Institution Type (in Millions) . . 3.24

3.13 Percent Change in USOE Program Allocations, 1978-89 vs. 1979-80, by Program and Institution Type 3.24

3.14 Estimated Distribution of Federal Student Financial Assistance Programs by Type and Level of Institution . . . 3.27

LIST OF EXHIBITS

Exhibit		Page
2.1	Student Mail Survey Announcement	2.17
2.2	Survey Weighting Procedures	2.20
3.1	Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Four Year Public Institutions: Academic Year 1978-79 vs. 1979-80	3.13
3.2	Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Four Year Private Institutions: Academic Year 1978-79 vs. 1979-80	3.15
3.3	Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Two Year Public Institutions: Academic Year 1978-79 vs. 1979-80	3.17
3.4	Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Two Year Private Institutions: Academic Year 1978-79 vs. 1979-80	3.19
3.5	Estimated Average Percent of Budget Met by Various Sources of Financial Assistance for Undergraduate Students in Proprietary Institutions: Academic Year 1978-79 vs. 1979-80	3.21

1
INTRODUCTION

"...the way the system is set up now, the rich can pay, the 'poor' get paid for, and the middle class struggle to get what he can from wherever he can."

- Student at an Eastern Public University, Winter 1979

BACKGROUND

The Middle Income Student Assistance Act (MISAA), which was designed to promote increased accessibility to higher education through existing Federal aid programs, was prompted by the concern that students from middle income backgrounds were being treated inequitably with respect to their ability to finance postsecondary institutions. In response to this concern, two basic proposals were submitted.

First, MISAA was proposed by the Carter Administration, passed by the 95th Congressional Session and signed into law by the President on November 1, 1978 (P.L. 95-566). It constituted a package of revised appropriations and awarding formulae, based on varying levels of assistance to accommodate different economic circumstances, for the existing Basic Grant, Campus-Based and Guaranteed Student Loan programs. The second proposal, eventually rejected, was advocated by the private education community and religiously affiliated groups and, called for tuition tax credits. Under this plan, every individual was to have a specified dollar amount deducted from his/her income tax for each family

member attending a postsecondary school. As proposed, it was to be administered by the Internal Revenue Service and was to be completely independent of Federal Education agencies and the schools themselves.

In summary, the prevailing view was that the omission of income as a criterion in determining the level of assistance would not result in the effective targeting of funds to low and middle income students. In response, MISAA was created to lessen all financial barriers confronting access to postsecondary education by increasing the benefits to middle income students while maintaining the Federal Government's original commitment to low income students.

PROVISIONS OF MISAA

The following discussion highlights the provisions of MISAA.

Basic Grants (BEOG)

- Changes the percent of discretionary income that a family is expected to contribute to their child's education to 10.5 percent. Families were previously expected to contribute 20 percent of their first $5,000 and 30 percent of additional discretionary income for this purpose.
- Provides for more generous treatment of self-supporting (independent) students. Specifically, the bill increases the subsistance offset for single independent students from $1150 to $3400. Additionally, the bill requires that independent students with one or more dependents receive the same treatment as families with dependent students in determining the amount of money from their assets which they are expected to contribute to the cost of education.
- Increases the protection for low-income students in the event of less than full funding of the BEOGs program by revising the schedule for reduction of grants so that it is more heavily weighted in favor of the most needy students.
- These changes brought in about 1 million more recipients in 1979-80 than in 1978-79.

Supplemental Grants (SEOG)

- Sets an FY 80 minimum funding of $340 million for academic year 1979-80 as compared to $270 million for 1978-79.

College Work Study (CWS)

- Sets an FY 80 minimum funding of $500 million. The FY 79 appropriation is $550 million for academic year 1979-80 as compared to $435 million for 1978-79.

State Student Incentive Grants (SSIG)

- Revises current law so that States with constitutional prohibitions against funding private institutions can participate in this program. Specifically, this provision permits states with constitutional prohibitions against financial assistance for attendance at religious or other nonprofit or private institutions to be excepted from the SSIG requirement that the State's program must serve nonprofit private, as well as public, institutions.

Guaranteed Student Loan Program (GSL)

- Provides that all students receiving Guaranteed Student Loans be eligible for a Federal interest subsidy while they are in school, regardless of family income. This provision supercedes the provision in current law, which generally provides that students with family incomes under $25,000 (i.e., adjusted gross incomes of around $31,000) be eligible for this subsidy.
- Provides that disabled students in approved rehabilitation training programs be permitted to defer payment of their loans while in training.

Other Provisions of the Bill

- Waives the age requirement for veterans participating in Special Programs for the Disadvantaged Backgrounds.
- Permits educational expenses for dependent children in elementary and secondary schools to be considered in computing financial need in the College Work Study and in the National Direct Student Loan programs.
- Modifies the eligibility requirements for the participation of proprietary schools in programs funded under the Higher Education Act. This amendment conforms the eligibility requirement for proprietary schools to the requirement now applicable to public and nonprofit private schools, by permitting proprietary schools which admit non-high school graduates beyond the age of compulsory school attendance to be eligible for Higher Education Act funds.

CONTENTS OF THIS REPORT

This report consists of three remaining chapters. Chapter 2 describes the study methodology, Chapter 3 presents the results of the analyses required under this contract, and Chapter 4 provides the results of the financial aid officer interviews regarding their perceptions of the impact of MISSA.

It should be noted here, however, that the data provided in this report are limited due primarly to the conditions established by the contract which provided the funding for this effort. The data collected throughout this study, permit a far more extensive analysis of the impact of MISSA and will be the subject of reports to be issued at a later date by the U. S. Office of Education.

2

STUDY METHODOLOGY

INTRODUCTION

The impetus for this study was provided by the results of Phase III of the U.S. Office of Education's "Study of Program Management Procedures in the Campus-Based and Basic Grant Programs"(SISFAP III) conducted in the Winter and Spring of 1979. Designed to evaluate institutional and Federal administrative policies and procedures as they influence the extent to which the programs are fulfilling their legislative goals, this earlier undertaking collected data from approximately 12,000 aid recipients and 4,000 non-recipients at 172 postsecondary institutions.[1/] The present study was designed to replicate the baseline effort and to assess the impact of MISAA (implemented after the prior study was conducted) on the distribution of financial aid to students from middle income families. The baseline study, then, served as a pretest in that it was conducted immediately prior to the introduction of MISAA, and this follow-up represents a posttest effort.

SELECTION OF INSTITUTIONS

In order to maximize our ability to assess the effect of MISAA, it was decided to return to each of the 172 institutions which participated in the baseline study plus three additional schools to make

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1/ For a more detailed discussion, see Applied Management Sciences, Technical Report No. 1: Sample Design, Survey Yield and Bias, 1979.

a total of 175 schools.[2/] In so doing, the control of a large number of factors was ensured (e.g., size, control, level, cost, etc.) which, in turn, facilitated the analysis of the student data. Those schools which were unwilling to participate, were dropped from the sample and were replaced by random selection from the appropriate sample stratum.

The sample of institutions was selected randomly within strata defined by various relevant institutional characteristics, i.e., level and control, selectivity and size. As such, the sample is representative of the total population of all institutions eligible to participate in the Federal student assistance programs.

SELECTION OF STUDENTS

Although the same schools were visited in this follow-up effort, only a subset of the original student sample was recontacted. Specifically, the procedures were as follows:

(1) previously participating four-year institutions - students selected in the prior study, and still in attendance, were all included in this follow-up study. Those lost through attrition, however, were replaced with separate random samples of new freshman and upperclassmen so as to account for the two primary forms of "leakage": grade-level advancement and graduation.

(2) previously participating institutions with programs of two-years or less and all replacement schools - new random samples of students were selected in both cases.

A detailed discussion of survey procedures are presented in the Attachment to this chapter.

2/ Immediately prior to the conduct of the site visits, one school dropped out of the study. As it was too late to contact another site, there was a total of 174 schools participating in the survey.

THE SURVEY INSTRUMENTS

The data collection instruments constituted the means for gathering information from the financial aid officers during the site visit survey and from students in the mail survey. Specifically, the following instruments were administered as a part of the data collection effort:

- Student Questionnaire: Mail survey form designed to yield information on the equity of the distribution of aid to students and other impacts relative to institutional operating procedures.
- Record Review Form (no respondent): Field personnel transcribed data from the financial aid records of those students who participated in the survey and who were also aid recipients or applicants.
- Financial Aid Officer Instrument: Personal interviews were conducted with the financial aid officers at each site to gather information on the institutions' current aid packaging policies and practices in order to attribute changes in the distribution of financial aid solely to MISAA.

ASSESSMENT OF DATA QUALITY

The data used in this report, as in the case of all sample surveys, are subject to what Kish[3/] has categorized as seven distinct sources of survey bias (i.e., the degree to which the estimates differ from the true value):

- Sampling biases - these are of two types:
  - frame biases are caused by errors in the selection and/or weighting procedures, e.g., failure to adjust the estimates for unequal selection probabilities; and
  - consistent sampling biases are related to the choice of a population estimator and are such that they decrease with increasing sample sizes (e.g., using $r = y/x$ as an estimate of $R = Y/X$.
- constant statistical bias - these are also related to the choice of an estimator, however, these are unrelated to the selected sample size (e.g., using the median to estimate the mean of a skewed distribution).

3/ Leslie Kish, Survey Sampling, (New York, New York: John Wiley and Sons, 1965), pp. 519-524.

- o Nonsampling biases - are of two broad types:
  - — nonobservation biases - the failure to obtain data from segments of the population due either to noncoverage (an incomplete frame) or nonresponse;
  - — observation biases - these are a result of obtaining and recording observations incorrectly due either to field errors (e.g., response bias) or processing errors (e.g., coding, keypunching, tabulating, etc.)

While substantial effort was expended to minimize the impact of such biases, these efforts were not, or could ever be, always totally successful. The following discussion describes such circumstances as they relate to this study.

Potential Sampling Biases

The design of this survey[4/] resulted in a number of biases which can be largely attributed to our development and use of a particular sampling framework. These are elaborated upon below:

1) Selection of institutions - The use of 1977-78 data to construct the institutional sample entailed problems with both noncoverage and overcoverage; we believe, however, that these difficulties have resulted in a zero net bias.

2) Selection of students - Errors related either to the nonintentional exclusion of eligible respondents or the inclusion of ineligible respondents are related primarily to the selection of students at the sampled postsecondary institutions. Schools simply do not keep perfectly accurate lists of students and this was further exacerbated by our criterion of "students attending half-time or better." As a result, at the time the samples were selected there were surely eligible students at each institution who, by the nature of the selection process, were excluded from the sampling process. Similarly, there were students included in the sample who were actually ineligible to participate. While we have no objective measure of either the magnitude of these biases or their direction, we do believe them to be small. Moreover, since it is the nonrecipients that were more likely to be excluded or overcovered, it seems safe to assume that the net effect of this bias is to lower the estimates of the nonaided students.

4/ See Applied Management Sciences, Ibid, Chapter 2.

3) Calculation of first-stage weights - The calculation of first-stage weights (i.e., the derivation of school specific population estimates) for some schools, entailed the use of estimates of the total numbers of both recipients and nonrecipients. These data, which serve as the numerators of the sampling weights, were not always available from the institutions and their estimation has led to two sources of potential bias. First, institutions' estimates of the total enrollment of eligible students were not always perfectly accurate--these were generally upwardly biased. Second, institutions often lacked a measure of the total size of their aid recipient population. As a result, we were forced to derive an estimate of its size (using the fact that the base samples were randomly selected from the student body) and to use the figure in the calculation of the first-stage weights.[5/] Here, however, the direction of the bias is not known.

Potential Biases Due to Nonresponse

The second area of potential bias results from nonresponse and is of two types - noninterview and item nonresponse. To begin with, in the survey forms completed for each responding unit there may be one or more unanswered questions, i.e., item nonresponse. If the form, as a whole, met the minimum requirements for completion it was accepted despite the fact that some items might have been missing. In such situations, one can either leave the items missing or undertake extensive imputation procedures[6/] to fill-in the excluded values. With regard to the results of this survey, however, both alternatives were rejected; the first due to the limitation it would have imposed on the data analysis and the second due both to the high level of resources its implementation would have required and our skepticism about the validity of these procedures. Instead, a middle ground approach was taken - wherever

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5/ The estimate is used to calculate the weights for both aid recipients and nonrecipients (i.e., total enrollment less total aid recipients).

6/ See for example, Brenda G. Cox, and Ralph E. Folsom, "An Empirical Investigation of Alternative Item Nonresponse Adjustments", American Statistical Association, 1978 Proceedings of the Section on Survey Research Methods, 1979.

possible, values were imputed for missing items using either: data available within the same form and logical consistency rules (e.g., the imputation that a student marked as dependent has no individuals in his/her <u>own</u> household); or data available from other forms (e.g., for aid recipients data were available from both the student questionnaire and the record review form). Such imputations are, in most cases, probable in nature and therefore subject to error. As there is no way of assuring that the errors of item imputation will result in a net balance, even on an expected basis, item response probably introduced some, albeit small, bias into the survey estimates.

The second component of nonresponse bias is noninterview or <u>form</u> nonresponse. As discussed in Chapter 2 the reasons for this nonresponse are varied and are largely attributable to the voluntary nature of this survey effort - what has not been addressed is the effect of this bias on the survey results. To begin with, consider the effect of nonresponse on some survey stastistics. Let

$$\bar{Y} = Y/N = W_1 \bar{Y}_1 + W_2 \bar{Y}_2$$

denote the mean of some characteristic where W_1 and W_2 denote the proportions of response and nonresponse ($W_1 + W_2 = 1$), and $\bar{Y}_1$ and $\bar{Y}_2$ denote the means of the characteristics in the two segments. These are the average values expected under the "essential survey conditions," and the use of mean response $\bar{Y}_1$ to estimate the $\bar{Y}$ causes a bias $(\bar{Y}_1 - \bar{Y})$. The relative bias (RB) of the sample mean, then, is given by:

$$RB\ (\bar{Y}_1) = \frac{(\bar{Y}_1 - \bar{Y})}{\bar{Y}} = \frac{(\bar{Y}_1 - W_1\bar{Y}_1 - W_2\bar{Y}_2)}{\bar{Y}} = W_2 \frac{(\bar{Y}_1 - \bar{Y}_2)}{\bar{Y}}$$

If the nonresponse mean $\bar{Y}_2$ differs little from the response mean $\bar{Y}_1$, the relative bias will remain small, even for moderate values of W_2. If both W_2 and $(\bar{Y}_2 - \bar{Y}_1)$ are small, the bias should be negligible.

For the bias to be important, a large nonresponse must coincide with large differences between the means of the two segments.[7] Moreover, when subclass means are compared, there exists a bias only:

> if the effect of nonresponse bias on one class mean is much different from that on the other. Even when separate estimates have nonresponse biases, their differences often are relatively free of bias, because of similar effects of nonresponse on the compared class means.[8]

This discussion, then, has two important implications for this survey: nonresponse will be significant, even if large in absolute magnitude, only if the characteristics of the respondents are much different from those of the nonrespondents; and, if comparisons are made between subclasses, there will be a resulting bias only if the respective nonresponse biases are different.

In terms of the data abstracted from student financial aid files, a record exists for every student identified by the institutions as an aid recipient during the course of the selection process. On the other hand, the degree of nonresponse by the student survey is considerable. In fact, it is greater than that which occurred during the baseline study. This is shown in Table 2.1.

Turning to the likely causes of the apparent nonresponse, one must realize that some noninterview is virtually certain to occur in any study of a human population; concern for the threat to validity of respondent unwillingness to participate in a survey has become an area of particular concern to researchers as well as those who sponsor such projects.[9] The survey of students was, by necessity, voluntary. While we anticipated a reluctence on the part of students to respond (which led us to offer a payment of $3.00 as an incentive to participate), the results

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7/ L. Kish, Ibid. p. 535.

8/ L. Kish, Ibid. p. 536.

9/ American Statistical Association, "Report on the ASA Conference on Surveys of Human Populations", 1974.

TABLE 2.1: STUDENT SURVEY RESPONSE AND COMPLETION RATES FOR 1978-79 AND 1979-80 SURVEYS

Study Component	Results
Total Sample size	
1978-79	19,387
1979-80	22,959
Record Review Forms	
Number completed	
1978-79	11,515
1979-80	12,047
Percent Completed	
1978-79	100%
1979-80	100%
Student Questionnaires	
Number completed	
1978-79	12,432
1979-80	11,511
Percent Completed	
1978-79	64.2%
1979-80	50.1%
Estimated Response Rate[1/]	
1978-79	72.4%
1979-80	56.4%

1/ The response rate is the ratio of the number of eligible students who could have responded to the total number of responses received. The latter part is the actual number of completions while the former has been estimated using data obtained through a telephone survey of nonrespondents and from counts maintained of questionnaires returned by the Postal Service. First the size of the group of nonresponding recipients and nonrecipients was reduced to reflect the proportion of students who were, in fact, unreachable by mail. Next, the size of the group of remaining nonresponding nonrecipients was reduced to reflect the proportion of such students who were truly eligible to participate in the study. These reduced bases were then used to compute the estimated response rates.

were quite disappointing. Two explanations are suggested: first, the amount of the compensation may have been insufficient but this does not explain the drop in response from the previous study where the same incentive was employed; second, on the basis of letters that were received from a small number of nonrespondents, the subject of the survey may have been perceived as both threatening and an invasion of their privacy. In fact, the negative responses were more frequent during this survey than during the baseline study which may indicate that the drop in responsiveness may be associated with a heightened degree of student skepticism.

To examine the effect of the nonresponse on the survey results, a telephone survey was conducted to a random sample of 100 nonrecipient nonrespondents selected from 10 randomly selected institutions. The procedure was not done for nonrecipients since the Record Reviews provide the needed data. In order to ensure representativeness, two institutions were sampled from each of the five major strata--four-year and two-year publics, four-year and two-year privates, and proprietaries.

While repeated attempts were made to contact all 100 students, a number of circumstances prevented our achieving this goal. To begin with, 23 of the selected students were unreachable due to the inability of school's to provide correct information on either the individual student or his/her parents. Therefore, as this survey was dependent upon our ability to contact students by mail, the fact that 23 percent of the nonrecipient nonrespondents were probably never given the opportunity to participate in the study implies that the true response rate was most likely higher than our completion rate (this was shown in Table 2.1). While this conclusion does not eliminate the nonresponse bias it does greatly reduce its magnitude, i.e., the noncoverage is not solely a result of self-exclusion but rather stems, in part, from a weakness in institutional recordkeeping. Of the remaining students sixty-two were interviewed, one refused to answer our questions, eleven failed to return our phone calls despite repeated attempts and messages having been left with parents and/or roommates, and three were travelling and could not be contacted.

Provided in Table 2.2 is a comparison between respondents and nonrespondents on income and dependency. The data for the nonrecipient nonrespondents came from the follow-up survey described above; data for the nonrecipient respondents were derived from the Student Questionnaire data file.

TABLE 2.2: COMPARISON BETWEEN NONRECIPIENT RESPONDENTS AND NONRESPONDENTS

Student Dependency and Total Income	Respondents	Nonrespondents
Dependent		
$ 0 - $ 5,999	0.8%	0.0%
$ 6 - $11,999	1.7%	0.0%
$12 - $17,999	6.9%	4.7%
$18 - $24,999	4.6%	2.3%
$25 - $29,999	10.3%	2.3%
$30,000 or more	44.0%	6.9%
Independent	16.3%	26.0%
Dont' know	15.4%	58.1%

The results, however, are inconclusive due mainly to the reticence of the students to provide the needed income data. This matches our earlier feeling that the lower response rate was a result of greater skepticism on the part of students. What nonresponse bias that may exist, if any, only effects the data on nonrecipients that are drawn from the student survey. The data for recipients are taken from financial aid records for which there is no form nonresponse.

Sampling Bias

Assuming that the measurement of a characteristic for each individual included in the sample were free of error (i.e., accurate), then the sampling variance (i.e., a measure of sampling bias) would be defined as:

$$\text{Var}\ (x) = (E(X_j) - E(X_k))^2$$

where x_k denotes the estimate of characteristic x derived from the k^{th} possible sample and E stands for the "expected value". In effect,

this model measures the variability of the estimates which results from the chance selection of a particular sample from among all possible samples given the selected sampling frame. The square root of the sampling variance is the measure most commonly used to define the sampling error and is alternatively called the standard error of the estimate.

These errors have been presented elsewhere,[10/] however, the results are best characterized as small (i.e., less than a relative error of 10 percent) within the range of values that are presented in this report. For example, estimates of participation rates by financial aid program by type of institution lie in the region between ± 3 percent to ± 8 percent.

Potential Biases Due to Response Errors and Processing Errors

Some of the recorded responses on completed survey forms are in error due mainly to respondent error. A respondent may deliberately give a wrong answer, or the question may be misunderstood due to imprecise question wording, or the respondent may be misinformed or in doubt as to the correct response. For the most part, the chance of such error in the recorded response contributes to the variability of the survey estimates (i.e., their precision) and is captured by the measurement of sampling errors. However, it also has a bias potential since there "is no law in probability that tends to balance out misclassification errors."[11/] In particular, this bias is likely to be especially serious whenever a substantial number of response errors are deliberate since these tend to be largely one-directional. Our best guess, however, is that these effects are likely to be of minimal size.

The final area for potential bias is a function of the way in which the data were converted into machine readable form. Although great pains were taken to minimize these types of errors, and by and large they have

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[10/] Applied Management Sciences, Ibid, pp. 6.15-6.17

[11/] Bureau of the Census, Ibid, p. 83.

been, some residual error will generally remain after editing and coding operations have been completed. We believe these, in any case, to be extremely slight and can be disregarded.

Evaluation of Overall Bias Effects

The accuracy of the site visit estimates is decreased by bias--not necessarily by each source of bias but by the net effect of all bias sources combined. Unfortunately, there are no estimates of total net bias for the estimates, because it has not been feasible to simultaneously study the effects of all sources of biased error against a standard of truth. Since the overall measure is not available, some assessment is needed of how important individual sources of potential bias may be in the total picture--important to the extent that a given source is likely to determine the direction and the approximate size of the total net bias. This is, however, related both to the particular analysis being carried out and the individual analyst's assessment of the degree to which the results are distorted by the biases which have been described here. We will, therefore, leave any objective determination of overall bias to the reader.

ATTACHMENT TO CHAPTER 2

- Pre-site visit logistics
- Selection and Training of Interviewers
- Conduct of Site Visits
- Implementation of the Student Mail Survey
- Procedures to Edit and Code Completed Instruments
- Creation of Data Files
- Sample Weighting

PRE-SITE VISIT LOGISTICS

A host of activities were undertaken in preparation for the site visits. The first point of contact with the schools was accomplished via a letter sent to the president and the director of financial aid at each institution. These letters explained the purpose of the study, informed them of the length of time required for the site visit, and invited their cooperation. Approximately four days after the letters were mailed, initial telephone calls were placed to each school. These calls centered on:

- ascertaining their willingness to participate;
- identifying an on-site coordinator;
- indicating that a two-day site visit would be conducted between September and December in order to transcribe data from students' financial aid records; and
- obtaining information on vacation periods and other school closings. If the school was a replacement site, information was also gathered on: a) their undergraduate enrollment attending one-half time or more; and b) the proportion of these students receiving any form of financial aid.

Following these calls, preliminary travel swings were developed. Two to three sites per week were scheduled (at one to two days per site) with one day in between to allow for sufficient travel time.

With this activity completed, a memorandum was mailed to each school, providing a tentative visit date and describing procedures for selecting the required student samples. If the institution was a four-year school

which participated in the baseline study, a listing of students from whom data were collected during the initial effort was enclosed to facilitate the school's identification of those students who were still in attendance. In addition, the procedures for selecting a random sample of replacement students were also delineated. (A copy of this memorandum is provided in Appendix A). Finally, all schools were requested to provide Applied Management Sciences with the names and current addresses of the students in the sample at their earliest convenience in order to implement the student mail survey.

Following the above activity, second-round telephone calls were placed to the coordinators to confirm or, as necessary, reschedule the assigned site visit date and to answer any questions pertaining to the selection of the student sample. At the conclusion of these calls, final travel swings were developed to accommodate individual institutional scheduling, and all necessary travel arrangements were made. Next, Record Review Forms were sorted for each school and mailed to the coordinator in preparation for the site visits.

Immediately prior to the conduct of the site visits, the field staff reconfirmed all interview dates with the coordinators at their sites. Further, reconfirmation was again made just before the interviewers' arrival at the various institutions during the course of the site visit cycle.

SELECTION AND TRAINING OF INTERVIEWERS

Concurrent with the above activities, efforts were undertaken to recruit qualified interviewers. The first step entailed contacting all interviewers who served on the baseline study to ascertain their availability and interest in the current undertaking. Of these, three agreed to serve in this capacity. Next, an advertisement was placed in the Washington Post for the remaining site visit staff. Upon reviewing the applicants' resumes, interviews were conducted with those whose backgrounds were most closely aligned with the needs of the survey. A total of seven additional interviewers were then hired.

Occurring simultaneously with the selection of interviewers was the redevelopment of the Interviewer's Training Manual, a document which was initially designed for the baseline study and which served as an instructional guide in preparing for and conducting the site visits. To ensure that the site visits would proceed smoothly and yield complete and accurate data, the manual addressed each of the following areas: a) the background and purpose of the study; b) an overview of the Federally-funded student financial assistance programs; c) general interview instructions; d) detailed on-site instructions; and e) indepth question-by-question instructions for the proper use of the survey forms. Following the development of this document, copies were mailed to the field personnel so that each could become proficient in each of the above-mentioned areas.

Beginning September 25, 1979, a four-day training session in the conduct of the survey and the use of the instruments was held. The focus of this training was on the scope of the study and the issues under consideration; familiarization with the questionnaires; student sampling procedures; interviewing techniques; and travel procedures. As part of this training effort, site visits were conducted at two local schools in order to provide the field staff with a clear picture of how the actual site visits would proceed. Further, this approach enabled them to anticipate potential problems and ways to resolve them.

Immediately following training, site visits to the 174 institutions were conducted by 10 interviewers beginning October 1, 1979.

CONDUCT OF SITE VISITS

Throughout the conduct of the site visits, the field staff reported to the Applied Management Sciences Field Supervisor at least once per site to relay any difficulties and discuss their resolution. Upon arrival at each site, the interviewer met with the coordinator to determine how to access the students' financial aid records for the purpose of transcribing data onto the Record Review Form. Next, a brief interview was conducted with the financial aid officer to obtain

information on the institution's packaging policy and practices. After these activities had been completed, site visit packages were mailed to Applied Management Sciences. Following the receipt of these packages, a letter thanking the institution for its participation was mailed, along with a $100.00 check.

IMPLEMENTATION OF THE STUDENT MAIL SURVEY

The student mail survey was conducted with the overall objective of maximizing the student response. As such, it was implemented in three waves, with the last two serving as follow-ups for non-respondents.

As the first step in executing the mail survey, each institution was requested to provide Applied Management Sciences with the names and current addresses of the sampled students at their earliest convenience. During the first month of the study, each school with an outstanding sample was contacted in order to accelerate this effort. In some cases, implementation of the survey was delayed as the schools were late in selecting the samples and forwarding the required information. Moreover, a number of schools did not select the student sample until the arrival of the field staff, which further inhibited the progress of the mail survey.

Upon receiving the students' names and current addresses, four sets of labels for each student were generated (one set for each wave of mailing (3) and one set for check payment). The first mailing consisted of the questionnaire, a cover letter urging the student's participation (see Appendix B for copies of the survey instrument and all follow-up letters), and a prepaid return envelope. Each student was assigned a unique numerical code which was recorded on the survey form in order to identify his/her response. Approximately three weeks after the questionnaires were mailed, a reminder letter (second wave) was sent to each non-responding student. This was done again after another three weeks had elapsed (third wave). As an additional measure for enhancing the student response, an announcement was prepared for posting on bulletin boards and/or publication in the institution's student newspapers (see Exhibit 2.1.)

EXHIBIT 2.1: STUDENT MAIL SURVEY ANNOUNCEMENT

THE KEY TO IMPROVING FINANCIAL AID

DID YOU RECEIVE A QUESTIONNAIRE IN THE MAIL ON HOW YOU ARE FINANCING YOUR EDUCATION? THE SUCCESS OF OUR SURVEY REQUIRES YOUR RESPONSE WHETHER YOU ARE RECEIVING FINANCIAL AID OR NOT. WE NEED YOUR HELP! THE THREE KEYS TO IMPROVING FINANCIAL AID ARE:

1 — FILL OUT THE QUESTIONNAIRE

(Completely and accurately. Include any other comments you would like to make.)

2 — RETURN IT

(Do not remove the cover letter. Keep identifying codes intact.)

3 — COLLECT YOUR $3.00

(Upon receipt of your completed questionnaire, Applied Management Sciences will mail you a check for $3.00 as compensation for your time and assistance.)

IF YOU HAVE ANY QUESTIONS OR NEED A NEW QUESTIONNAIRE, PLEASE CALL:

WENDY DELLEFIELD AT: 800-638-2784 OR 800-638-2785

962 Wayne Avenue • Suite 701
Silver Spring, Maryland 20910

A master file of the student mail survey was created to monitor outgoing and returning survey forms, as well as check payments. Incoming questionnaires were filed, by institution and form type (i.e., Financial Aid Officer Questionnaire, Record Review Form, and Student Questionnaire) for easy access.

EDIT AND CODE COMPLETED INSTRUMENTS

As the survey forms were received, they were edited and coded for keypunch entry to data tape using previously defined edit specifications for each type of form (i.e., Record Review Form and Student Questionnaire). All data were processed by applying the following procedures:

- o forms were manually edited by examining item responses for inconsistencies or incomplete answers. Appropriate codes were ascribed for these and for open-ended questions;
- o logged-out forms to keypunch with an updated count of completed documents;
- o keypunched and verified data directly onto magnetic tape;
- o logged-in forms from keypunch and verified the forms count with previous figures;
- o using the previously designed machine edit program, provided computer runs of keypunch and coding errors; and
- o performed error resolution.

CREATION OF DATA FILES

Student Questionnaire and Record Review Form data files were created from the data received. The file was structured to allow for linkage between the Record Review Forms and Student Questionnaires and for linking both of these forms to institutional characteristics data and, where appropriate, to the baseline study student record. The file structure and data system were the same as those used in the baseline effort.

In order to create the analytic data file, the following steps were undertaken:

- o loaded processed data tape onto disk;

- o loaded clean data file onto disk following error resolution;
- o constructed statistical packages control card files;
- o created analytical working files;
- o merged data files from various respondent sets;
- o aggregated and/or disaggreated data to appropriate analytical levels; and
- o generated hard copy tables for use by analysts

SAMPLE WEIGHTING

The design used in this survey is non-self weighting, that is, all units in the sample did not have the same probability of selection. Therefore, in order to derive simple unbiased estimates, separate weights had to be calculated for each student consisting of two parts: a first-stage or school weight which is the reciprocal of the probability of selecting students within individual institutions; and a second-stage or stratum weight which is the reciprocal of the probability of selecting individual institutions within strata. This procedure was done separately for aid recipients and non-recipients. Finally, the data were adjusted for non-response and for the variation in primary sampling units using ratio estimates. The complete procedure is presented in Exhibit 2.2

EXHIBIT 2.2: SURVEY WEIGHTING PROCEDURES

RECIPIENTS

NONRESPONSE ADJUSTMENT:

$$= \frac{\text{TOTAL RECIP. IN SAMPLE AT SCHOOL X}}{\text{TOTAL RECIP. RESPOND. AT SCHOOL X}}$$

$$= n^{s}_{rx} \Big/ n^{o}_{rx}$$

FIRST STAGE WEIGHT:

$$= \frac{\text{TOTAL RECIP. AT SCHOOL X}}{\text{TOTAL RECIP. IN SAMPLE AT SCHOOL X}}$$

$$= N^{r}_{x} \Big/ n^{s}_{rx}$$

SECOND STAGE WEIGHT:

$$= \frac{\text{NUMBER OF SCHOOLS IN STRATUM i}}{\text{NUMBER SCHOOLS SAMPLED IN STRATUM i}}$$

$$= M_i \Big/ m_i$$

RATIO ADJUSTMENT:

$$= \frac{\text{KNOWN PARAMETER TOTAL}}{\text{ESTIMATED TOTAL}}$$

$$= \frac{\text{ACTUAL NUMBER OF BEOG RECIP. } i^{th} \text{ STRATUM}}{\text{EST. NUMBER OF BEOG RECIP. } i^{th} \text{ STRATUM}}$$

$$= R^{r}_{i} \Big/ \hat{R}^{r}_{i}$$

$$w_{gt_R} = \left(\frac{n^{s}_{rx}}{n^{o}_{rx}}\right)\left(\frac{N^{r}_{x}}{n^{s}_{rx}}\right)\left(\frac{M_i}{m_i}\right)\left(\frac{R^{r}_{i}}{\hat{R}^{r}_{i}}\right)$$

NON-RECIPIENTS

NONRESPONSE ADJUSTMENT

$$= \frac{\text{TOTAL NONRECIP. IN SAMPLE AT SCHOOL X}}{\text{TOTAL NONRECIP. RESPOND AT SCHOOL X}}$$

$$= n^{s}_{nx} \Big/ n^{o}_{nx}$$

FIRST STAGE WEIGHT:

$$= \frac{\text{TOTAL NONRECIP. AT SCHOOL X}}{\text{TOTAL NONRECIP. IN SAMPLE AT SCHOOL X}}$$

$$= \frac{\text{(NUMBER ENROLLED) - (NUMBER RECIP.)}}{\text{(NUMBER NONRECIP. IN SAMPLE AT SCHOOL X}}$$

$$= \left(N - N^{r}_{x}\right) \Big/ n^{s}_{nx}$$

SECOND STAGE WEIGHT:

$$= \frac{\text{NUMBER OF SCHOOLS IN STRATUM i}}{\text{NUMBER SCHOOLS SAMPLED IN STRATUM i}}$$

$$= M_i \Big/ m_i$$

$$w_{gt_N} = \left(\frac{n^{s}_{nx}}{n^{o}_{nx}}\right)\left(\frac{N - N^{r}_{x}}{n^{s}_{nx}}\right)\left(\frac{M_i}{m_i}\right)$$

3

THE IMPACT OF MISAA ON THE DISTRIBUTION OF FEDERAL FINANCIAL AID FUNDS

INTRODUCTION

This analysis of the impact of MISAA, as mentioned in Chapter 1, is limited and focuses simply upon changes in the aggregate pattern of Federal direct student aid distribution. As such, it addresses four questions of immediate interest:

1. Have the changes instituted under MISAA, had the desired effect of targeting additional funds to the middle income student?
2. How have these changes affected students' propensity to apply for financial aid and their resulting access to such assistance.
3. What effect has this retargeting had upon the original beneficiaries of the Basic Grant program, namely the low-income students?
4. How was MISAA affected the distributional relationships between, and among, the various Federal aid programs and other sources of student support?
5. What effect has MISAA had upon institutional distributive patterns?

The remainder of this chapter, separately addresses each of these important questions. Reports to be prepared under the baseline study contract will explore these and other issues in greater detail.

HAS THE MIDDLE INCOME STUDENT BENEFITTED FROM MISAA

Provided in Table 3.1 are the relative patterns of income distribution (changes in absolute magnitude will be discussed in the following section) for the four major Federal student support programs

TABLE 3.1: ESTIMATED DISTRIBUTION OF FEDERAL STUDENT FINANCIAL ASSISTANCE PROGRAMS TO UNDERGRADUATE STUDENTS BY TOTAL FAMILY INCOME AND DEPENDENCY STATUS*: ACADEMIC YEAR 1978-79 vs. 1979-80

PROGRAM AND STUDENT TYPE	PERCENTAGE OF TOTAL RECIPIENTS		PERCENTAGE OF TOTAL AWARDS		AVERAGE/ RECIPIENT	
	1978-79	1979-80	1978-79	1979-80	1978-79	1979-80
A. BASIC EDUCATIONAL OPPORTUNITY GRANT PROGRAM						
DEPENDENTS						
$0-$5,999	20.2	12.1	23.6	13.7	1089	1129
$6,000-$11,999	24.6	17.5	26.2	20.1	996	1149
$12,000-$17,999	14.1	16.5	10.7	16.8	702	1022
$18,000-$24,999	3.7	12.9	2.1	10.5	532	815
$25,000-$29,999	0.4	4.3	0.3	2.8	704	656
$30,000 or more	0.1	2.1	0.1	1.3	739	597
INDEPENDENTS	31.3	31.2	31.2	31.4	927	1006
UNKNOWN**	5.6	3.3	5.7	3.3		
TOTAL	100.0	100.0	100.0	100.0		
B. SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM						
DEPENDENTS						
$0-$5,999	16.9	12.7	15.9	11.4	596	631
$6,000-$11,999	20.5	19.7	19.1	19.0	592	676
$12,000-$17,999	17.6	15.7	17.5	14.3	628	636
$18,000-$24,999	9.6	12.9	9.8	12.6	650	688
$25,000-$29,999	1.9	3.3	1.9	3.3	635	715
$30,000 or more	0.7	2.0	0.6	2.2	560	776
INDEPENDENTS	29.9	31.8	32.7	35.4	693	784
UNKNOWN**	2.9	1.9	2.5	1.7		
TOTAL	100.0	100.0	100.0	100.0		

*Averages for each program are based only upon the students who received the particular form of Federal financial assistnace. Unduplicated averages are based upon all students who received one or more of the four Federal aid sources.

**Students of unknown dependency status and/or income level.

TABLE 3.1: (Continued)

PROGRAM AND STUDENT TYPE	PERCENTAGE OF TOTAL RECIPIENTS		PERCENTAGE OF TOTAL AWARDS		AVERAGE/ RECIPIENT	
	1978-79	1979-80	1978-79	1979-80	1978-79	1979-80
C. NATIONAL DIRECT STUDENT LOAN PROGRAM						
DEPENDENTS						
$0-$5,999	10.4	7.7	9.3	7.6	722	802
$6,000-$11,999	16.5	15.4	14.4	14.7	704	782
$12,000-$17,999	18.9	17.7	16.9	17.2	724	792
$18,000-$24,999	15.9	15.6	16.9	14.7	834	766
$25,000-$29,999	3.9	7.4	4.1	7.3	820	807
$30,000 or more	2.0	5.3	2.0	5.5	746	837
INDEPENDENTS	26.4	28.3	30.2	30.8	951	888
UNKNOWN**	6.0	2.5	6.7	2.2		
TOTAL	100.0	100.0	100.0	100.0		
D. COLLEGE WORK-STUDY PROGRAM						
DEPENDENTS						
$0-$5,999	16.3	11.2	16.3	11.0	848	965
$6,000-$11,999	18.0	18.4	17.3	17.3	822	925
$12,000-$17,999	16.9	16.7	15.6	14.7	780	869
$18,000-$24,999	13.2	15.2	12.3	11.9	791	770
$25,000-$29,999	3.8	6.2	2.9	4.3	652	716
$30,000 or more	1.9	4.9	1.6	4.0	696	802
INDEPENDENTS	22.7	24.6	27.3	35.6	1018	1342
UNKNOWN**	7.2	2.7	6.5	3.0		
TOTAL	100.0	100.0	100.0	100.0		

*Averages for each program are based only upon the students who received the particular form of Federal financial assistnace. Unduplicated averages are based upon all students who received one or more of the four Federal aid sources.

**Students of unknown dependency status and/or income level.

TABLE 3.1: (Continued)

PROGRAM AND STUDENT TYPE	PERCENTAGE OF TOTAL RECIPIENTS		PERCENTAGE OF TOTAL AWARDS		AVERAGE/ RECIPIENT	
	1978-79	1979-80	1978-79	1979-80	1978-79	1979-80
E. UNDUPLICATED COUNT-FOUR FEDERAL PROGRAMS						
DEPENDENTS						
$0-$5,999	16.8	11.4	18.4	10.0	1587	1709
$6,000-$11,999	20.6	16.3	21.4	19.7	1498	1854
$12,000-$17,999	14.7	16.0	13.8	20.0	1347	1632
$18,000-$24,999	9.1	13.7	7.8	13.9	1244	1368
$25,000-$29,999	2.3	5.0	1.7	5.2	1089	1241
$30,000 or more	1.1	3.7	0.8	1.8	1005	1091
INDEPENDENTS	28.7	30.8	30.3	26.1	1526	1704
UNKNOWN**	6.7	3.4	5.8	3.4		
TOTAL	100.0	100.0	100.0	100.0		

*Averages for each program are based only upon the students who received the particular form of Federal financial assistnace. Unduplicated averages are based upon all students who received one or more of the four Federal aid sources.

**Students of unknown dependency status and/or income level.

with regard to numbers of recipients, total dollars and average awards for both academic year 1978-79 and 1979-80. The results are dramatic and, rather pleasantly, are largely supportive of the legislative intent of MISAA.

To begin this discussion, let us examine the changes which have occurred for those dependent students in the middle income brackets (e.g., $12-$17,999 and $18-$24,999). Under both of the Federal grant programs (BEOG and SEOG) these students have realized significant proportional gains relative to those in the other income categories. When compared to the period immediately prior to the passage of MISAA, these students have substantially increased their representation in terms of both the number of recipients and proportional share of the total funds; the greatest gains (250 percent and 400 percent, respectively) occurring for those in the $18-$24,000 range. Moreover, the incremental rise in average Basic Grant awards for these students exceed those in all other groups and is greater than the increase in the change in the maximum award level ($200).

Related to this change in Federal grant support, is the slight downward shift in the distribution of self-help support dollars (e.g., NDSL and CWS) to the middle income student. Of greater importance, however, is the lowering of the average NDSL, and to a lesser degree CWS, awards to those in the $18-24,999 income bracket. Despite an overall rise in the numbers of eligible applicants coming from this income group, the level of the average awards has decreased. It would seem, then, that the increased availability of Federal grant support for the middle income student has worked to lower their need for self-help to finance their education. This interrelationship is demonstrated in Table 3.1E where the total effect of the four Federal programs has been summarized. It will also be explored in more detail in a later section of this chapter.

The remaining dependent students, those in the lower (under $12,000) and upper ($25,000 and over) income brackets, also exhibit distributive changes, however, these should not be viewed as an indication of one group gaining at the expense of another. The table provides only

relative patterns of distribution and any change in one category must necessarily lead to a change elsewhere. (To reiterate, absolute differences will be discussed below.) What is of interest, though, is the direction of the residual shift—in all cases the general income distribution has moved upward. That is, while the Federal student support programs remain primarily directed toward those most economically disadvantaged, the effect of MISAA has been to greatly broaden the eligible income spectrum.

As a final point, it is worth taking note of the minimal effect MISAA has had upon the proportional representation of independent students. With the exception of slight relative gains under SEOG and CWS, the position of independent students in the distribution of Federal student aid funds has remained essentially unchanged from the preceeding year. Presumably, their generally lower income levels have left them unaffected by the advent of MISAA.

Student Applications for and Receipt of Financial Aid

A second measure of the effectiveness of student aid programs concerns the number of students who initiate contact with the aid system by filing an application for aid. The increases in the percentage of students applying for financial assistance (Federal and non-Federal), which are noted in Table 3.2, are indicative of students seeking out financial assistance in greater numbers.

With rare exception, all categories of institution types and income levels registered upward shifts in the amount of aid applications submitted by students. In some way, this increase in application flow must be attributed to an expanded public awareness of the availability of student aid. The media publicity which surrounded the passage of MISAA was certainly a contributing factor as were (and still are) the information materials produced by institutions. Significantly, the rate of aid applications showed strong gains among students from the poorest economic backgrounds, those whose need for assistance is theoretically, the greatest.

TABLE 3.2 PERCENTAGE OF STUDENTS APPLYING FOR FINANCIAL ASSISTANCE, 1978-79 vs 1979-80 BY INCOME LEVEL AND INSTITUTION TYPE

	TYPE AND CONTROL OF INSTITUTION									
INCOME	FOUR-YEAR PUBLIC		FOUR-YEAR PRIVATE		TWO-YEAR PUBLIC		TWO-YEAR PRIVATE		PROPRIETARY	
DEPENDENTS	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
$0 - 5,999	84%	84%	90%	96%	65%	83%	74%	95%	94%	86%
6,000 - 11,999	73%	83%	76%	91%	77%	75%	58%	79%	71%	89%
12,000 - 17,999	59%	68%	78%	93%	28%	47%	55%	65%	72%	82%
18,000 - 24,999	37%	57%	66%	79%	2[illegible]%	41%	43%	55%	54%	55%
25,000 - 29,999	28%	35%	58%	70%	12%	19%	39%	58%	51%	69%
30,000 or more	11%	22%	28%	38%	11%	5%	25%	35%	19%	27%
INDEPENDENTS	45%	61%	57%	62%	30%	53%	51%	69%	67%	81%
TOTAL	43%	54%	57%	65%	31%	49%	47%	63%	65%	74%

Students submit an application for financial assistance when they perceive that their present economic circumstances would render them eligible to receive such aid. In Table 3.3, on the next page, it can be noted that students, generally, considered themselves more likely to meet selection criteria for financial aid in the 1979-80 academic year, then they did in 1978-79. In regard to the student financial aid programs administered by USOE, the student perceptions were, for the most part, accurate. Table 3.3 reflects a dramatic impact of MISAA on all but a few student types.

TABLE 3.3: PERCENTAGE OF STUDENTS RECEIVING FEDERAL STUDENT AID BY DEPENDENCY, INCOME AND TYPE AND CONTROL OF INSTITUTION

	TYPE AND CONTROL OF INSTITUTION									
INCOME	FOUR-YEAR PUBLIC		FOUR-YEAR PRIVATE		TWO-YEAR PUBLIC		TWO-YEAR PRIVATE		PROPRIETARY	
DEPENDENTS	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
$0 - 5,999	81%	83%	85%	91%	60%	83%	70%	97%	92%	79%
6,000 - 11,999	65%	78%	70%	89%	70%	67%	55%	79%	66%	90%
12,000 - 17,999	49%	58%	69%	82%	21%	38%	43%	43%	65%	70%
18,000 - 24,999	21%	47%	47%	68%	10%	34%	31%	44%	51%	43%
25,000 - 29,999	18%	20%	40%	58%	3%	15%	16%	28%	44%	45%
30,000 or more	5%	18%	16%	28%	1%	5%	11%	19%	14%	17%
INDEPENDENTS	42%	51%	47%	54%	28%	42%	43%	64%	66%	71%
TOTAL	36%	46%	45%	56%	26%	41%	37%	51%	63%	65%

Students attending two-year public institutions showed the most marked increase in Federal aid eligibility, although they still receive Federal assistance at the lowest rate (41%) of any institution type. Although students at proprietary schools exhibited the weakest impact of MISAA they continue to receive Federal aid at by far the highest rate (65%) of any institution type. All categories of dependent students from families with incomes above $12,000 showed higher proportions of aid recipients, as did all independent students, regardless of institution type.

The Basic Grant and Campus Based Programs represent the core of the financial aid packages which students receive. Although, in a number of cases certain institutions can only offer students Federally sponsored assistance, at a growing proportion of schools, students are being presented with financial aid from a wide variety of sources. The combination of Federal, State, local and private aid sources can work,

potentially, to stretch the existing pool of aid resources in order to relieve the obstacles to access and retention for more students. Table 3.4 illustrates that Federal aid programs are, indeed, working in partnership with the various other aid sources. The percentages of recipients for 1978-79 and 1979-80 were both proportionately the same as the percentages of Federal recipients in most cases. Since the increase in all recipients was roughly parallel to the increase in Federal recipients, it can be assumed that the largest contributor to the rise in recipients of all types of aid was, in fact, the advent of the Middle Income Student Assistance Act.

TABLE 3.4: PERCENTAGE OF STUDENTS RECEIVING ANY TYPE OF FINANCIAL AID 1978-79 vs 1979-80 BY INCOME, DEPENDENCY, AND TYPE AND CONTROL OF INSTITUTION

	TYPE AND CONTROL OF INSTITUTION									
INCOME	FOUR-YEAR PUBLIC		FOUR-YEAR PRIVATE		TWO-YEAR PUBLIC		TWO-YEAR PRIVATE		PROPRIETARY	
DEPENDENTS	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
$0 - 5,999	84%	84%	90%	94%	65%	86%	74%	99%	94%	79%
6,000 - 11,999	73%	79%	76%	90%	77%	77%	58%	87%	71%	91%
12,000 - 17,999	59%	63%	78%	88%	28%	43%	55%	67%	72%	71%
18,000 - 24,999	37%	54%	66%	75%	23%	40%	43%	60%	54%	48%
25,000 - 29,999	28%	29%	[illegible]	71%	12%	23%	39%	52%	51%	47%
30,000 or more	11%	23%	28%	38%	11%	13%	25%	34%	19%	21%
INDEPENDENTS	45%	56%	57%	57%	30%	45%	51%	76%	67%	75%
TOTAL	43%	51%	57%	63%	31%	45%	47%	66%	65%	57%

WHAT HAS BEEN THE EFFECT OF MISAA ON THE LOW INCOME STUDENT: HAVE WE "ROBBED PETER TO PAY PAUL?"

As was shown at the outset of this chapter, MISAA has resulted in changes in the relative distribution of Federal student aid. Such changes, however, do not necessarily imply a shift in the absolute income distribution. That is, increases in the proportion of middle income recipients and awards, and decreases in the proportions represented by other income groups, do not involve a redistribution of benefits if the observed changes were brought about by the influx of additional funds. In fact, this is exactly what has taken place under MISAA--the changes in the eligibility criteria combined with the expansion of the available funds has, as shown in Table 3.5, provided additional benefits for middle and upper income students without causing a deleterious effect on the original targets for direct student support.

TABLE 3.5: PERCENT CHANGE IN THE ABSOLUTE MAGNITUDE OF FEDERAL STUDENT ASSISTANCE FUNDS BY STUDENT DEPENDENCY AND TOTAL FAMILY INCOME: ACADEMIC YEAR 1978-79 vs. 1979-80

	PERCENT CHANGE (1978-79 vs. 1979-80)				
	BEOG	SEOG	NDSL	CWS	UNDUPLICATED TOTAL
Dependents					
$0-$5,999	0.2%	9.4%	(-8.4%)	14.9%	9.4%
$6-$11,999	32.8%	52.6%	15.1%	68.3%	50.3%
$12-17,999	172.9%	24.9%	14.7%	61.2%	114.4%
$18-$24,999	748.3%	66.7%	0.7%	64.3%	203.3%
$24-$29,999	1520.8%	169.8%	106.4%	165.1%	448.8%
$30,000 and Over	2385.7%	485.0%	226.6%	333.7%	756.6%
Independents	78.2%	66.3%	11.9%	109.5%	86.9%
ACUTAL PROGRAM FUNDING CHANGES	64.0%	25.2%	5.4%	26.1%	35.0%

The upper income students have clearly shown the greatest absolute increases, especially regarding their receipt of Campus Based aid awards; however, this is largely due to their being very minimally funded prior

to MISAA. Much of this rise can be attributed to the fact that many students of these income levels had never received any previous Federal assistance. Due to the limited amount of Campus Based funds which institutions have to award they often only offer the benefit of a full aid package to the most needy students (e.g., those who qualify for a Basic Grant or whose expected family contribution is below a fixed dollar amount). By expanding the pool of BEOG recipients and simultaneously increasing Campus Based allotments, MISAA has been able to fully integrate many of these students into the flow of Federal financial aid funds. Prior to MISAA, many of these students very likely did not even attempt to seek such support, restricting their options for assistance to the GSL program. The coming of MISAA has probably brought many new students into the system, without imposing penalties on those already receiving aid.

THE EFFECT OF MISAA ON THE RELATIONSHIP BETWEEN VARIOUS SOURCES OF STUDENT FINANCIAL ASSISTANCE

Tables 3.6-3.10 provide, by type of institution, total family income and dependency, the change in the average percent of the student's educational budget that is met by various sources of financial assistance. While the data are quite rich, there are two overriding relationships which are worth noting in this context. First, the portion of the budget met by non-returnable aid (BEOG and other grants) having generally increased as a result of MISAA, is seen to have had the effect of supplanting some of the portion previously met by expected family contribution, loans and work. This substitution effect, as expected from the results discussed in the previous section, is at its greatest in the middle income brackets. Second, as a corollary to the first observation, the total loan/work burdens generally borne by middle income students have decreased.

Tables 3.6 through 3.10 and Exhibits 3.1 through 3.5 present a rather complex view of the relationship between the various elements which comprise financial aid packages. While a detailed review of the actual

TABLE 3.6: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN FOUR-YEAR PUBLIC INSTITUTIONS: ACADEMIC YEAR 1978-79 VS 1979-80[1/]

DEPENDENCY BY TOTAL FAMILY INCOME	AVERAGE BUDGET		EXPECTED FAMILY CONTRIBUTION[2/]		SOURCES OF FINANCIAL ASSISTANCE											
					BEOG		OTHER GRANTS[3/]		LOANS[4/]		WORK[5/]		UNMET NEED[6/]		TOTAL[7/]	
	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
DEPENDENTS																
$0-$5,999	2447	2829	6	4	49	46	16	20	7	7	20	17	2	9	100	103
$6,000-$11,999	2848	3432	15	9	39	41	12	13	7	9	18	23	9	5	100	100
$12,000-$17,999	3138	3797	24	20	19	30	13	13	11	11	25	22	8	5	100	101
$18,000-$24,999	3614	3864	41	36	5	22	10	11	19	12	24	21	1	2	100	104
$25,000-$29,999	3909	3869	65	44	2	15	5	7	14	17	19	19	0	2	105	104
$30,000 or more	5147	4336	63	56	1	9	2	14	21	10	13	16	0	6	100	111
INDEPENDENTS	4193	4778	16	18	23	22	14	10	12	11	28	22	7	17	100	100

*Insufficient Observations.

1/ All entries are averages for all financial aid recipients.

2/ Expected Parental Contribution plus spouse's earnings plus student contribution from assets plus other contributions (e.g., social security).

3/ Supplemental Educational Opportunity Grant (SEOG) plus institutional grants and scholarships plus private grants and scholarships plus State grants.

4/ National Direct Student Loans (NDSL) plus Guaranteed Student Loans (GSL) plus State Loans plus other private loans.

5/ College Work Study (CWS) plus summer earnings plus academic year earnings.

6/ The difference between the sum of all financial resources and the student's educational budget.

7/ Since certain sources of aid (such as GSL's) can be acquired to offset the expected family contribution, the sum of all resources can exceed the budget. The extent of this overage is indicated in the "Total" column.

EXHIBIT 3.1: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN FOUR YEAR PUBLIC INSTITUTIONS: ACADEMIC YEAR 1978-79 VS. 1979-80

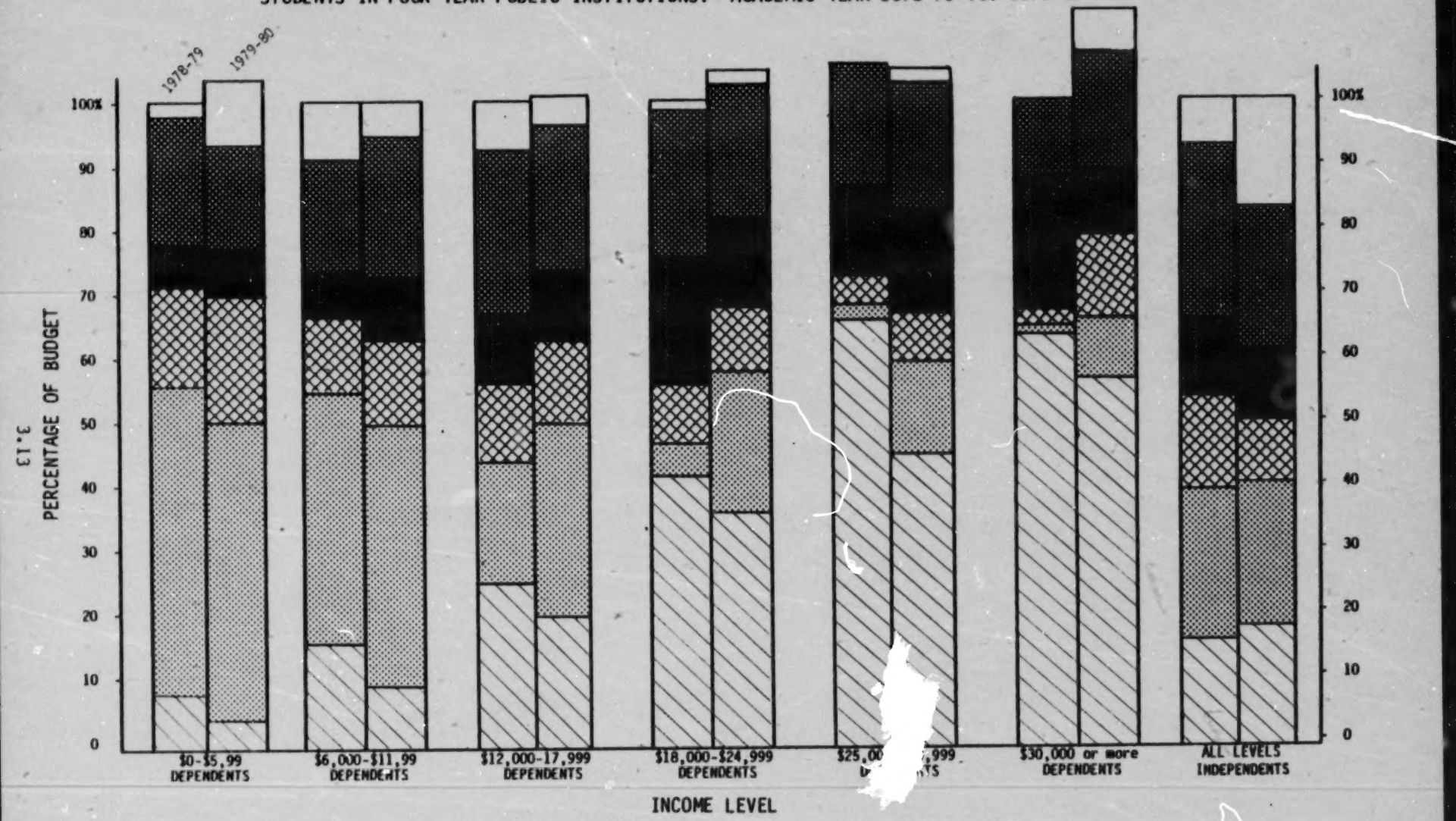

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TABLE 3.7: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN FOUR-YEAR PRIVATE INSTITUTIONS: ACADEMIC YEAR 1978-79 VS 1979-80[1/]

DEPENDENCY BY TOTAL FAMILY INCOME	AVERAGE BUDGET		EXPECTED FAMILY CONTRIBUTION[2/]		SOURCES OF FINANCIAL ASSISTANCE											
					BEOG		OTHER GRANTS[3/]		LOANS[4/]		WORK[5/]		UNMET NEED[6/]		TOTAL[7/]	
	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
DEPENDENTS																
$0-$5,999	4926	5529	7	4	28	29	24	27	9	8	20	17	12	19	100	104
$6,000-$11,999	4939	5659	10	6	24	24	22	27	12	10	21	18	11	15	100	100
$12,000-$17,999	5296	5941	19	17	10	16	20	27	15	12	21	18	15	10	100	100
$18,000-$24,999	5743	6136	37	30	2	9	19	29	15	14	20	17	7	1	100	100
$25,000-$29,999	6035	6324	49	42	1	5	13	24	15	18	20	15	2	4	100	108
$30,000 or more	6682	7138	64	57	0	3	9	18	15	13	16	14	0	4	104	109
INDEPENDENTS	5640	6479	20	13	16	20	21	17	13	11	17	11	13	28	100	100

*Insufficient Observations.

1/ All entries are averages for all financial aid recipients.

2/ Expected Parental Contribution plus spouse's earnings plus student contribution from assets plus other contributions (e.g., social security).

3/ Supplemental Educational Opportunity Grant (SEOG) plus institutional grants and scholarships plus private grants and scholarships plus State grants.

4/ National Direct Student Loans (NDSL) plus Guaranteed Student Loans (GSL) plus State Loans plus other private loans.

5/ College Work Study (CWS) plus summer earnings plus academic year earnings.

6/ The difference between the sum of all financial resources and the student's educational budget.

7/ Since certain sources of aid (such as GSL's) can be acquired to offset the expected family contribution, the sum of all resources can exceed the budget. The extent of this overage is indicated in the "Total" column.

EXHIBIT 3.2: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN FOUR YEAR PRIVATE INSTITUTIONS: ACADEMIC YEAR 1978-79 VS. 1979-80

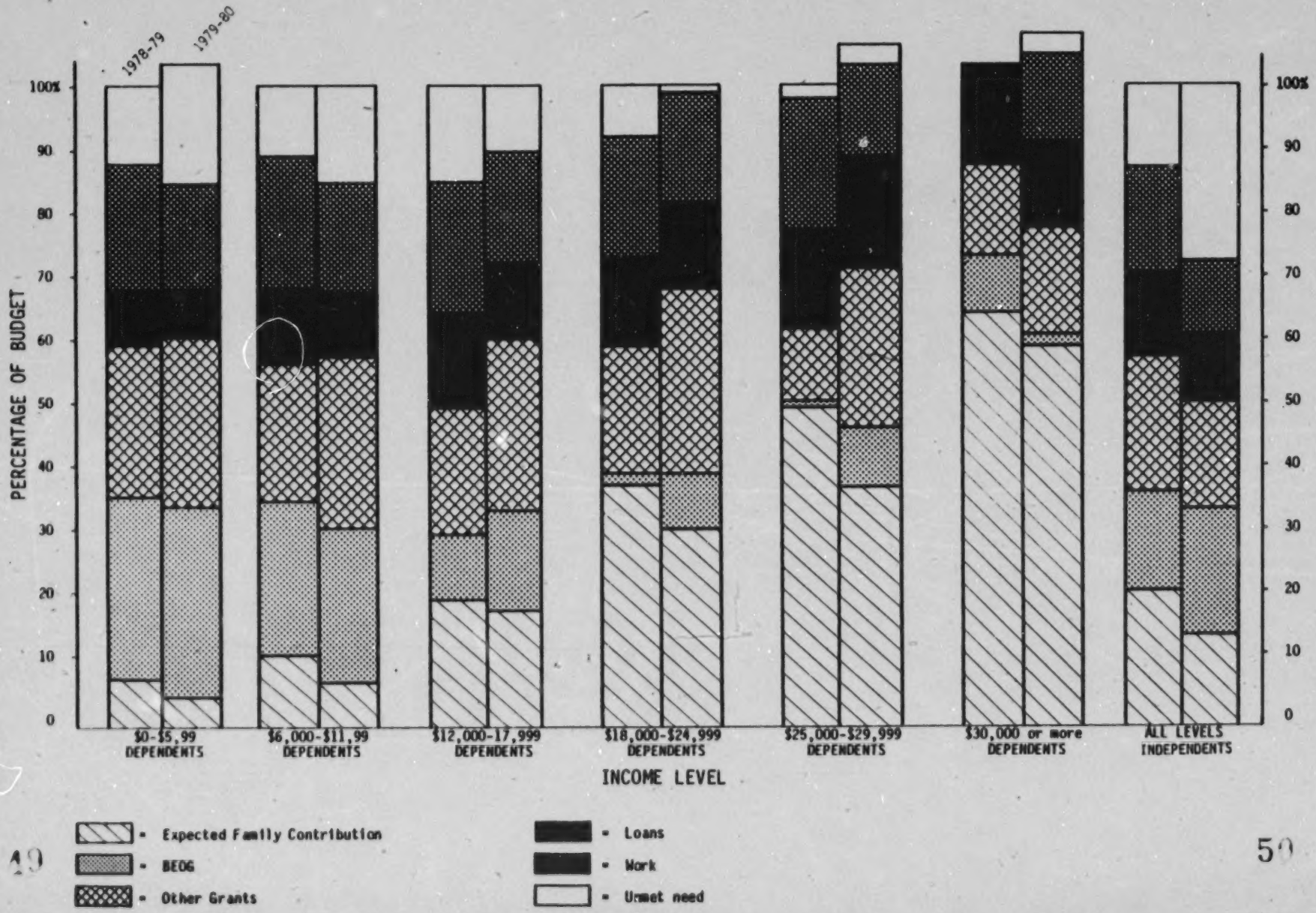

TABLE 3.8: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN TWO-YEAR PUBLIC INSTITUTIONS: ACADEMIC YEAR 1978-79 VS 1979-80[1/]

DEPENDENCY BY TOTAL FAMILY INCOME	AVERAGE BUDGET		EXPECTED FAMILY CONTRIBUTION[2/]		SOURCES OF FINANCIAL ASSISTANCE											
					BEOG		OTHER GRANTS[3/]		LOANS[4/]		WORK[5/]		UNMET NEED[6/]		TOTAL[7/]	
	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
DEPENDENTS																
$0-$5,999	2332	2576	3	5	40	35	6	12	2	3	30	25	19	23	100	103
$6,000-$11,999	2270	2618	11	10	39	35	7	11	2	2	24	31	17	14	100	103
$12,000-$17,999	2429	2644	27	26	26	31	8	8	3	3	35	25	1	8	100	101
$18,000-$24,999	2786	2770	51	39	8	25	3	2	3	4	37	21	0	9	102	100
$25,000-$29,999	3452	3122	70	55	9	20	10	3	3	4	16	19	0	0	108	101
$30,000 or more	*	3473	*	58	*	12	*	6	*	8	*	16	*	1	*	101
INDEPENDENTS	3816	4272	11	13	30	23	8	9	5	3	19	25	27	27	100	100

*Insufficient Observations.

1/ All entries are averages for all financial aid recipients.

2/ Expected Parental Contribution plus spouse's earnings and student contribution from assets plus other contributions (e.g., social security).

3/ Supplemental Educational Opportunity Grant (SEOG) plus institutional grants and scholarships plus private grants and scholarships plus State grants.

4/ National Direct Student Loans (NDSL) plus Guaranteed Student Loans (GSL) plus State Loans plus other private loans.

5/ College Work Study (CWS) plus summer earnings plus academic year earnings.

6/ The difference between the sum of all financial resources and the student's educational budget.

7/ Since certain sources of aid such as GSL's can be acquired to offset the expected family contribution, the sum of all resources can exceed the budget. The extent of this overage is indicated in the "Total" column.

EXHIBIT 3.3: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN TWO YEAR PUBLIC INSTITUTIONS: ACADEMIC YEAR 1978-79 VS. 1979-80

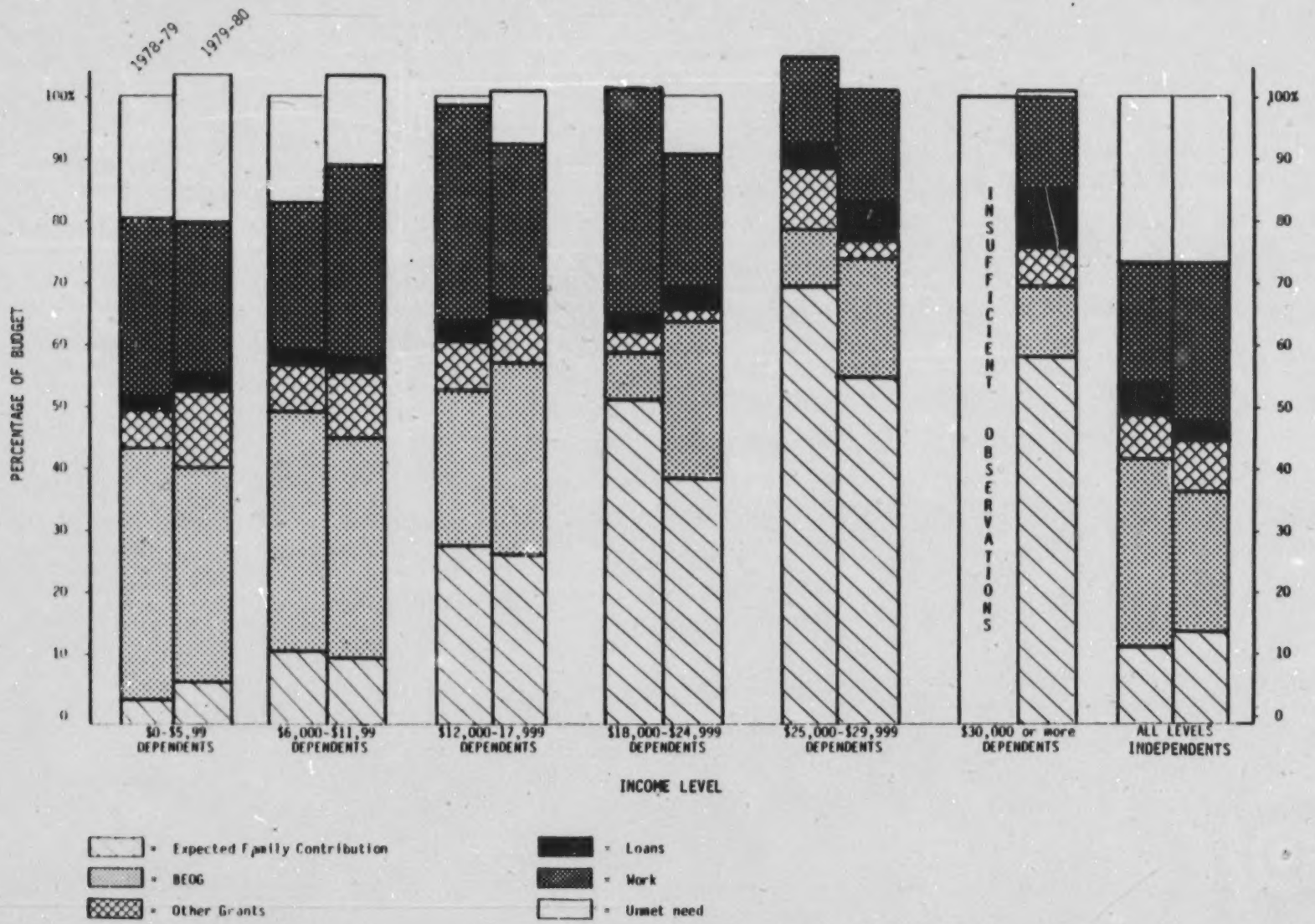

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TABLE 3.9: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN TWO-YEAR PRIVATE INSTITUTIONS: ACADEMIC YEAR 1978-79 VS 1979-80[1/]

DEPENDENCY BY TOTAL FAMILY INCOME	AVERAGE BUDGET		EXPECTED FAMILY CONTRIBUTION[2/]		SOURCES OF FINANCIAL ASSISTANCE											
					BEOG		OTHER GRANTS[3/]		LOANS[4/]		WORK[5/]		UNMET NEED[6/]		TOTAL[7/]	
	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
DEPENDENTS																
$0-$5,999	3612	3507	10	11	38	35	11	13	19	6	25	14	0	20	104	100
$6,000-$11,999	3887	3405	11	15	29	34	12	19	14	11	21	17	13	4	100	100
$12,000-$17,999	4023	3673	23	19	13	28	10	12	16	10	24	17	14	15	101	100
$18,000-$24,999	4377	3621	39	36	1	21	12	10	21	16	22	14	5	3	100	100
$25,000-$29,999	*	4324	*	59	*	9	*	15	*	13	*	22	*	18	*	137
$30,000 or more	*	6028	*	57	*	3	*	11	*	14	*	23	*	8	*	116
INDEPENDENTS	5846	4395	34	15	18	27	16	9	11	10	23	13	4	26	106	100

*Insufficient Observations.

1/ All entries are averages for all financial aid recipients.

2/ Expected Parental Contribution plus spouse's earnings and student contribution from assets plus other contributions (e.g., social security).

3/ Supplemental Educational Opportunity Grant (SEOG) plus institutional grants and scholarships plus private grants and scholarships plus State grants.

4/ National Direct Student Loans (NDSL) plus Guaranteed Student Loans (GSL) plus State Loans plus other private loans.

5/ College Work Study (CWS) plus summer earnings plus academic year earnings.

6/ The difference between the sum of all financial resources and the student's educational budget.

7/ Since certain sources of aid such as GSL's can be acquired to offset the expected family contribution, the sum of all resources can excee' the budget. The extent of this overage is indicated in the "Total" column.

EXHIBIT 3.4: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN TWO YEAR PRIVATE INSTITUTIONS: ACADEMIC YEAR 1978-79 VS. 1979-80

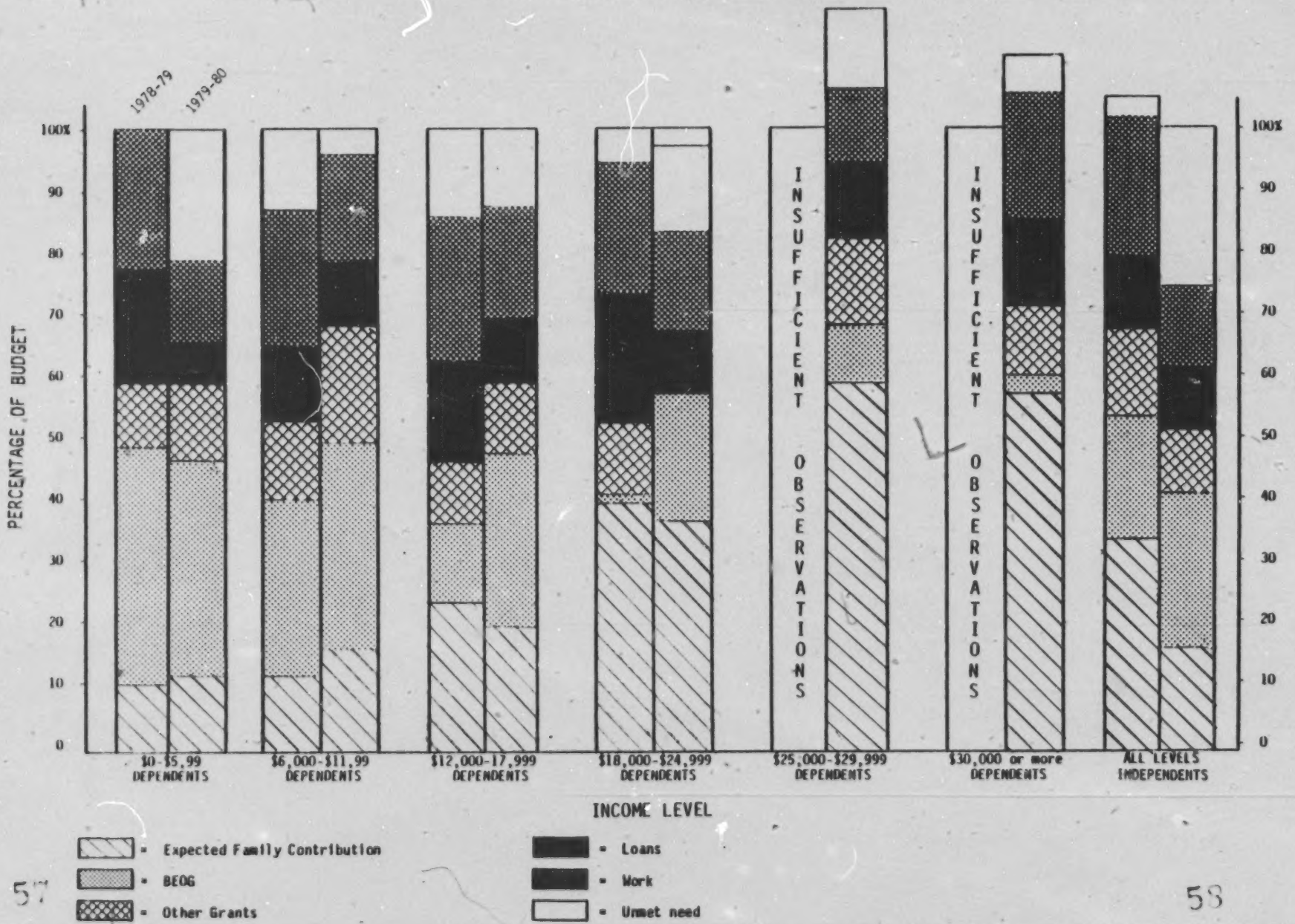


TABLE 3.10: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN PROPRIETARY INSTITUTIONS: ACADEMIC YEAR 1978-79 VS 1979-80[1/]

DEPENDENCY BY TOTAL FAMILY INCOME	AVERAGE BUDGET		EXPECTED FAMILY CONTRIBUTION[2/]		SOURCES OF FINANCIAL ASSISTANCE											
					BEOG		OTHER GRANTS[3/]		LOANS[4/]		WORK[5/]		UNMET NEED[6/]		TOTAL[7/]	
	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
DEPENDENTS																
$0-$5,999	4036	4309	4	4	35	37	8	9	16	16	5	13	32	22	101	100
$6,000-$11,999	4105	4187	8	5	28	34	16	14	18	14	3	7	39	26	112	100
$12,000-$17,999	4317	4057	19	21	12	23	8	12	21	18	4	6	36	20	100	100
$18,000-$24,999	4511	4526	24	27	6	15	5	11	39	24	3	4	23	19	100	100
$25,000-$29,999	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
$30,000 or more	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
INDEPENDENTS	5333	4480	15	8	20	27	9	9	16	19	7	13	34	24	101	100

*Insufficient Observations.

1/ All entries are averages for all financial aid recipients.

2/ Expected Parental Contribution plus spouse's earnings and student contribution from assets plus other contributions (e.g., social security).

3/ Supplemental Educational Opportunity Grant (SEOG) plus institutional grants and scholarships plus private grants and scholarships plus State grants.

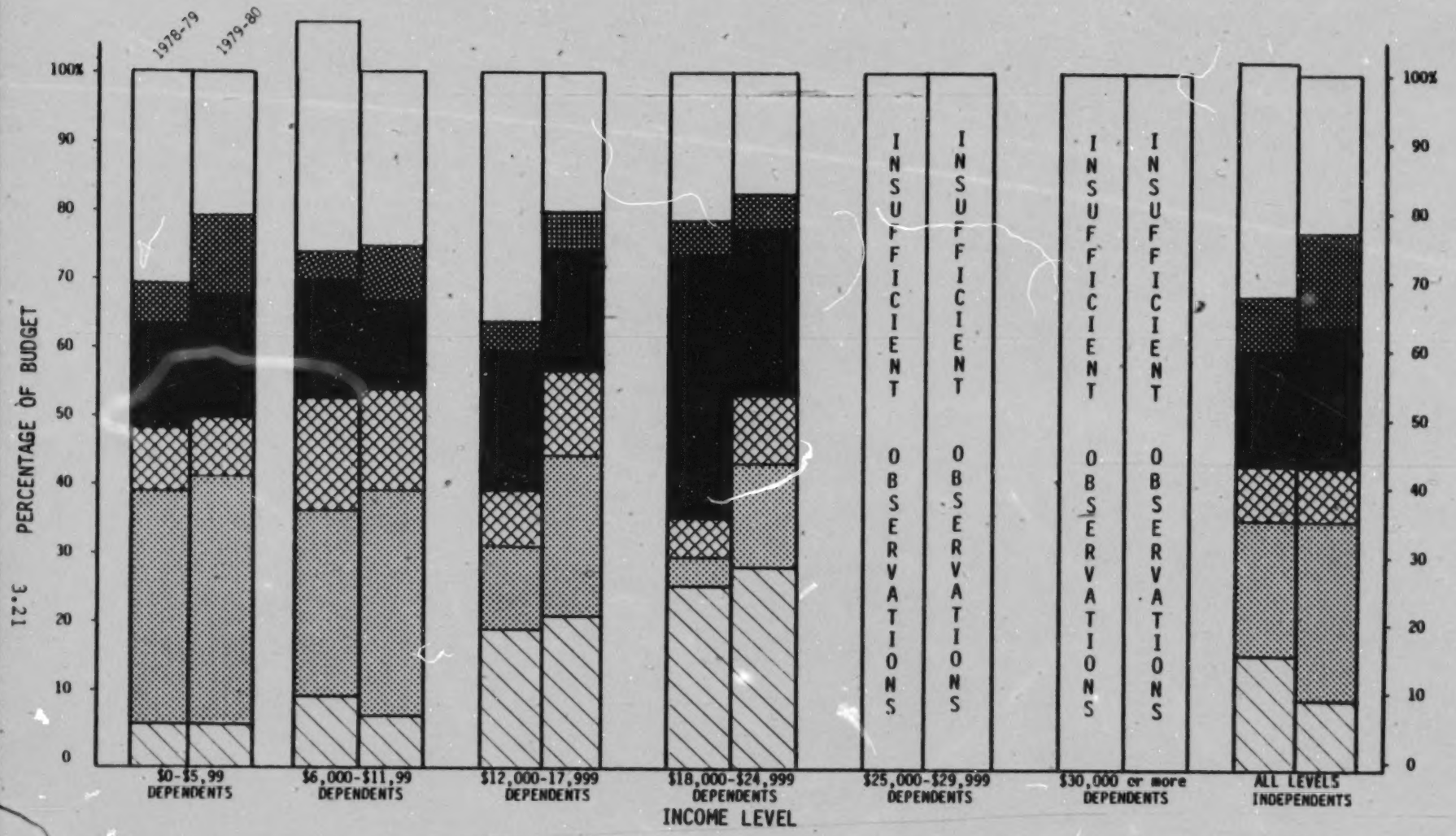
4/ National Direct Student Loans (NDSL) plus Guaranteed Student Loans (GSL) plus State Loans plus other private loans.

5/ College Work Study (CWS) plus summer earnings plus academic year earnings.

6/ The difference between the sum of all financial resources and the student's educational budget.

7/ Since certain sources of aid such as GSL's can be acquired to offset the expected family contribution, the sum of all resources can exceed the budget. The extent of this overage is indicated in the "Total" column.

EXHIBIT 3.5: ESTIMATED AVERAGE PERCENT OF BUDGET MET BY VARIOUS SOURCES OF FINANCIAL ASSISTANCE FOR UNDERGRADUATE STUDENTS IN PROPRIETARY INSTITUTIONS: ACADEMIC YEAR 1978-79 VS. 1979-80



3.21

percentages of these aid sources assigned to students is also worhty of attention, the general trends of the data are probably more revealing. For purposes of study, the elements of an aid package can be grouped into two categories. The first, consisting of expected family contribution, BEOG and other grants, form the "base" of a student's educational financing. These are the resources which a student brings with him/her to a postsecondary school. The second set of financial sources, comprised of loans, work and unmet need, can be defined as the "net cost" of a student's education. This second set represents the resources which a student must acquire during the academic year (either through work or loan obligations, additional family support or tolerance of a lower standard of living) over and above his/her base of family and non-returnable support.

The following, Table 3.11, contains the percentage of the student expense budget which is met by the "base" sources of financial support; the remainder being the "net price" which a student must pay for his/her education.

TABLE 3.11: PERCENT OF BUDGET MET BY "BASE" FINANCIAL RESOURCES BY DEPENDENCY, INCOME AND INSTITUTION TYPE; 1978-79 vs 1979-80

	TYPE AND CONTROL OF INSTITUTION									
INCOME	FOUR-YEAR PUBLIC		FOUR-YEAR PRIVATE		TWO-YEAR PUBLIC		TWO-YEAR PRIVATE		PROPRIETARY	
DEPENDENTS	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
$0 - 5,999	71%	70%	59%	60%	49%	52%	57%	59%	47%	50%
6,000 - 11,999	66%	68%	56%	57%	57%	56%	52%	68%	52%	53%
12,000 - 17,999	56%	63%	57%	60%	61%	65%	46%	59%	39%	56%
18,000 - 24,999	56%	69%	58%	68%	62%	66%	52%	67%	35%	53%
25,000 - 29,999	72%	66%	63%	71%	89%	78%	*		*	
30,000 or more	66%	74%	73%	78%	*		*		*	
INDEPENDENTS	53%	50%	47%	50%	51%	45%	68%	51%	44%	44%

At four-year schools, as well as two-year public and proprietary institutions, students in the middle income brackets, $12,000 to $29,999, fared significantly better in the 1979-80 academic year as compared to 1978-79. This increase can be attributed to the impact of Basic Grant awards on students from these economic backgrounds (as illustrated in other aid distribution tables in this report). The circumstances of independent students, in regard to net cost, actually declined in the 1979-80 academic year at four-year and two-year private schools. The net price for independent students at proprietary institutions remained unchanged, while it improved slightly at four-year private schools. Independent students seem to have been left out, in a sense, from the mainstream of the impact of MISAA. The uniqueness of the circumstances of many independent students may make them more likely to be affected by factors over and above a simple increase in the availability of Federal aid dollars.

THE EFFECT OF MISAA ON THE DISTRIBUTION OF FUNDS TO INSTITUTIONS

Whenever a new public program is implemented, an examination of the extent to which it has achieved its desired outcomes is not always sufficient to assess its full impact. For although the desired objectives may have been met, the gains may be outweighed by the existence of undesirable externalities. Therefore, this final section attempts to examine one possible area in which negative side-effects may have arisen as a result of the introduction of MISAA — changes in the distribution of student aid funds/recipients among types of institutions.

To begin with, Tables 3.12 and 3.13 provide the absolute and relative changes in the allocations of Federal student assistance dollars to various types of institutions as reported by the U.S. Office of Education. As shown here, the greatest relative gains in funding under the three Campus Based programs (similar data are not yet available for BEOG) appear to have occurred in the two-year and four-year privates with the proprietaries actually showing a decline. These results are, however, related to how aggregate program funds have been allocated to various sectors of the educational community -- not how it has been distributed to students attending these institutions. For this, we must examine the results of this survey.

S1

TABLE 3.12: DOLLAR AMOUNTS OF USOE PROGRAM ALLOCATIONS, 1978-79 VS. 1979-80, BY PROGRAM AND INSTITUTION TYPE (IN MILLIONS)

Program	TYPE AND CONTROL OF INSTITUTION											
	All Institutions		Four-Year Public		Two-Year Public		Four-Year Private		Two-Year Private		Proprietary	
	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
BEOG 1/	1563.0	2400.0	N/A		N/A		N/A		N/A		N/A	
SEOG	270.0	338.0	102.8	126.7	37.5	43.2	96.0	127.8	7.6	11.0	26.1	29.7
CWS 2/	342.3	683.8	250.5	294.6	103.0	116.5	166.1	242.9	13.1	19.0	9.6	10.8
NDSL 3/	728.0	767.4	322.6	343.4	33.2	34.5	282.8	308.7	11.1	16.3	78.3	64.3

1/ Institutional breakdown not yet available - figures shown are estimated.

2/ Includes estimated 20% institutional contribution to match Federal support.

3/ These represent new appropriations and do not include "self-rotating" funds.

TABLE 3.13: PERCENT CHANGE IN USOE PROGRAM ALLOCATIONS, 1978-79 VS. 1979-80, BY PROGRAM AND INSTITUTION TYPE

Program	TYPE AND CONTROL OF INSTITUTION					
	All Institutions	Four-Year Public	Two-Year Public	Four-Year Private	Two-Year Private	Proprietary
BEOG 1/	64.0%	N/A	N/A	N/A	N/A	N/A
SEOG	25.2%	23.2%	12.5%	33.1%	44.7%	13.8%
CWS 2/	26.1%	17.6%	13.1%	46.2%	45.0%	8.3%
NDSL 3/	5.4%	6.4%	4.2%	9.1%	46.9%	(-17.9%)
TOTAL 4/	35.0%	13.1% 3/	11.9% 3/	24.6% 3/	43.6% 3/	(-8.1%) 3/

1/ Institutional breakdown not yet available - figure shown is estimated.

2/ Includes estimated 20% institutional contribution to match Federal support.

3/ These represent new appropriations and do not include "self-rotating" funds.

4/ Campus Based Programs only.

The expected effect of MISAA on the relative distribution of Federal student support dollars would be to increase the amount of funds flowing to students in those sectors which account for a greater proportion of middle income applicants. This effect, however, is greatly confounded by a number of other factors (e.g., educational cost, the half-cost limitation, etc.) not the least of which is the complex system for allocating Campus-Based funds to institutions. The last item, in particular, affects this analysis to the extent that there is probably a lag in the time it will take the allocation system to match the true distribution of students who are now applying for aid.

Despite these caveats, Table 3.14 does show that MISAA has altered the previous distributive pattern, but in a way which somewhat contradicts the way in which USOE has allocated these monies to postsecondary institutions. To begin with, the BEOG distribution (for which we have no comparative data) has shifted, in a relative sense, from the proprietary sector to the two-year institutions. The decrease in the average awards for both the two-year publics and privates, however, would suggest that the increases are mainly a result of the addition of wealthier students who are receiving relatively small grant awards. As was noted previously (Table 3.2) both of these sectors also experienced the greatest increase in applicants.

The distribution for SEOG shows a similar decline for the proprietaries (and to a lesser degree, for the four-year publics) but the increase is now seen in the two-year publics. Why this type of a shift has occurred, is not quite as clear; particulary in light of the results depicted in Table 3.12. The two-year institutions, exhibit far greater changes in SEOG awards than would be indicated by the change in their funding levels. While we believe that a part of this difference may be due to the difference in the timing of the two studies,[1/] at this time

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1/ The baseline study was implemented in the Spring of 1979 and the follow-up study was undertaken early in the Fall of 1980. While in the former case the institutions had, in general, developed their final aid packages for the full academic year, the information collected in the Spring often reflects the tendency of many institutions (particularly the two-year schools) to overaward aid in anticipation that a certain number of students would withdraw prior to the end of the school year.

we are unable to explain the apparent difference. Therefore, until further analysis can be undertaken, it is suggested that the reader interpret these findings with caution.

The two self-help programs (NDSL and CWS) exhibit reductions in the generally higher cost institutions, i.e., the privates and the proprietaries. This is, as discussed in previous sections, related to the increased availability of grant support (i.e., BEOG, SEOG, and other non-Federal scholarships). Overall, Table 3.14 indicates that the overriding effect of MISAA on the institutional distribution of the four Federal programs has been to increase the relative representation of the two-year institutions (both public and private) while decreasing that of the proprietaries.

TABLE 3.14: ESTIMATED DISTRIBUTION OF FEDERAL STUDENT FINANCIAL ASSISTANCE PROGRAMS BY TYPE AND LEVEL OF INSTITUTION*

PROGRAM AND INSTITUTION TYPE	PERCENTAGE OF TOTAL RECIPIENTS		PERCENTAGE OF TOTAL AWARDS		AVERAGE/ RECIPIENT	
	1978-79	1979-80	1978-79	1979-80	1978-79	1979-80
A. BASIC EDUCATIONAL OPPORTUNITY GRANT PROGRAM						
PUBLIC:						
University and Four-Year	42.2	39.9	41.0	41.0	902	1027
Two-Year or Less	29.2	31.0	25.6	25.8	814	831
PRIVATE:						
University and Four-Year	17.7	18.6	20.8	21.0	1091	1133
Two-Year or Less	2.1	5.4	2.5	5.7	1117	1048
PROPRIETARY	8.8	5.1	10.1	6.5	1072	1288
TOTAL	100.0	100.0	100.0	100.0		
B. SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM						
PUBLIC:						
University and Four-Year	38.4	34.0	38.2	29.2	631	603
Two-Year or Less	17.4	28.7	16.2	31.4	590	770
PRIVATE:						
University and Four-Year	29.1	29.3	30.4	32.6	665	781
Two-Year or Less	2.3	2.4	1.6	1.6	432	485
PROPRIETARY	12.8	5.6	13.6	5.1	674	648
TOTAL	100.0	100.0	100.0	100.0		

*Averages for each program are based only upon those students who received the particular form of Federal financial assistance. Unduplicated averages are based upon all students who received one or more of the four Federal aid sources.

TABLE 3.14: ESTIMATED DISTRIBUTION OF FEDERAL STUDENT FINANCIAL ASSISTANCE PROGRAMS BY TYPE AND LEVEL OF INSTITUTION* (CONTINUED)

PROGRAM AND INSTITUTION TYPE	PERCENTAGE OF TOTAL RECIPIENTS		PERCENTAGE OF TOTAL AWARDS		AVERAGE/ RECIPIENT	
	1978-79	1979-80	1978-79	1979-80	1978-79	1979-80
C. NATIONAL DIRECT STUDENT LOAN PROGRAM						
PUBLIC:						
University and Four-Year	43.3	46.7	39.6	44.5	744	773
Two-Year or Less	9.2	10.4	7.7	10.2	684	801
PRIVATE:						
University and Four-Year	36.1	37.0	39.0	38.1	878	840
Two-Year or Less	1.5	1.8	1.5	1.9	678	888
PROPRIETARY	9.9	4.2	12.2	5.3	1008	1031
TOTAL	100.0	100.0	100.0	100.0		
D. COLLEGE WORK-STUDY PROGRAM						
PUBLIC:						
University and Four-Year	35.5	34.5	37.2	35.7	885	1017
Two-Year or Less	23.7	28.2	26.2	33.1	934	1154
PRIVATE:						
University and Four-Year	36.4	31.6	32.8	26.4	761	823
Two-Year or Less	4.1	4.5	3.4	3.1	700	681
PROPRIETARY	0.3	1.1	0.4	1.7	1166	1456
TOTAL	100.0	100.0	100.0	100.0		

*Averages for each program are based only upon those students who received the particular form of Federal financial assistance. Unduplicated averages are based upon all students who received one or more of the four Federal aid sources.

TABLE 3.14: ESTIMATED DISTRIBUTION OF FEDERAL STUDENT FINANCIAL ASSISTANCE PROGRAMS BY TYPE AND LEVEL OF INSTITUTION* (CONTINUED)

PROGRAM AND INSTITUTION TYPE	PERCENTAGE OF TOTAL RECIPIENTS		PERCENTAGE OF TOTAL AWARDS		AVERAGE/ RECIPIENT	
	1978-79	1979-80	1978-79	1979-80	1978-79	1979-80
E. UNDUPLICATED COUNT-FOUR FEDERAL PROGRAMS						
PUBLIC:						
University and Four-Year	41.0	39.0	40.1	39.2	1409	1623
Two-Year or Less	25.4	29.7	20.9	25.8	1189	1389
PRIVATE:						
University and Four-Year	23.4	21.4	27.4	25.5	1694	1946
Two-Year or Less	2.4	5.2	2.3	4.2	1392	1296
PROPRIETARY	7.8	4.7	9.3	5.3	1709	1816
TOTAL	100.0	100.0	100.0	100.0		

*Averages for each program are based only upon those students who received the particular form of Federal financial assistance. Unduplicated averages are based upon all students who received one or more of the four Federal aid sources.

4

FINANCIAL AID OFFICERS' PERCEPTIONS OF THE IMPACT OF MISAA

INTRODUCTION

As part of the data collection effort, a series of questions were posed to financial aid officers at the participating institutions. The site visit instrument stated that these questions "are intended to obtain the attitudes and perceptions of the aid officer about MISAA." The intent being to provide the aid officers with the opportunity to "sit back. put their feet up and shoot from the hip" regarding financial aid, MISAA and their relationship with USOE. Aid officers, in turn, often expressed a hope that "someone in Washington" would actually read their comments.

This section is presented with a caution to the reader: bear in mind that the opinions expressed are those of aid officers who have a decidedly local view of the world of financial aid practice. It is to be expected that the perceptions which these aid personnel offer will not match up with the empirical conclusions of this study. This, in itself, may be significant.

The questions asked of the aid officers were, as follows:

- "In your opinion, has MISAA had a significant effect on the distribution of Federal student aid funds on your campus?"
- "Has MISAA had an impact on the students whom it was designed to assist (those from middle-income circumstances)? To what degree?"

- "Have you noted a significant difference in the number of financial aid applications which your office has processed?"
- "Have you had to make any administrative changes in order to cope with the increased flow of aid applications? Has your institution's administration provided you with proper support?"
- "Can you suggest any ways in which USOE might better reach out to the middle income student?"

The results of each of the first four questions are presented by the level and control of institution since empirical differences were found to coincide with this structure. The results of the last question, however, are presented in simple aggregate form.

These data, albeit non-quantitative, represent the perceptions of those most closely associated with the implementation of this new policy directive and, as such, provide a "bottom up" view of the program's impact. These results, therefore, can be viewed as enhancing the findings presented in the previous chapter.

PERCEIVED MISAA IMPACT

Four-Year Public Institutions

Aid officers in four-year public institutions generally perceived that MISAA had doubled the number of both aid applicants and recipients as compared to last year. Their responses also seem to bear out a "linkage" between changes in the BEOG distribution and that of GSL and the three Campus-Based programs. While this linkage was noted by aid officers in each of the five categories of institutions, it was most often cited as a major effect of MISAA by those in the four-year publics.

The increase in BEOG applicants, recipients, and awards was perceived to be around 100 percent, i.e., double that of the previous year. The increase in the number of recipients, however, was perceived to be greater than the increase in total BEOG dollars, so that the average institutional BEOG award was believed to be smaller than that for academic year 1978-79. Concommitant with this increase in the BEOG distribution, these financial aid officers also believe that there has been a less pronounced increase in the need for Guaranteed Student Loan (GSL) funds. As one aid officer remarked:

"..... we've virtually doubled our Basic Grant population. Many students have applied only for the Basic Grant who were never eligible before. Certainly higher income families are receiving aid from all programs. GSLs have increased dramatically although they have not doubled yet."

The net rise in Federal aid dollars, as viewed by these aid officers, has been partially offset by a decreased student need for Campus-Based aid. In fact, several of the respondents felt that, as a result of MISAA, the increased expenditure of Federal financial aid dollars has not been inordinately higher than anticipated, but there has been a significant shift; more Federally funded gift aid and less self-help has been spent.

"Yes, a lot more BEOG. There's been a 40 percent increase in Basic Grant recipients. . .Also, removing the income ceiling on GSLs has had an effect. We've had quite an increase in the number of people who apply for and receive FISLs. . .It does seem that with larger grants, students are needing less loan money. It's lessened the need for other forms of Campus-Based aid."

When asked if MISAA has worked to the benefit of the middle income student, most aid officers in four-year public institutions replied with a relieved and emphatic "yes". Many are pleased and grateful to see, not so much that middle income students are being reached, but simply that a greater, higher volume of Federal financial aid funds is flowing to their colleges. The exceptions are a few low cost institutions, with a vast majority (95 percent or better) of low income students who were not particularly affected by the advent of MISAA. Aid officers in four-year public schools, by and large, also perceive that their schools do not, and will not, feel the full impact of MISAA relative to the more high cost institutions. This may be due, in part, to the BEOG half-cost limitation. New recipients were, to the surprise of many aid officers, mainly coming from the $26,000 to $40,000 income brackets. Eligible students with higher incomes were perceived as more prone to seek a GSL than a BEOG.

One aid officer complained that MISAA has raised the relative expectations of those from middle income circumstances. That is, whereas these students previously received no Federal aid, they now receive some but they are upset because they cannot receive more. Four aid officers observed that independent students seem to be disproportionately favored in receiving Federal funds as a result of MISAA although one aid officer complained that married independents are, and have been in the past, discriminated against. MISAA has also been helpful to those with considerable, but non-liquid, assets.

The wide range of responses to questions concerning the number of aid applications received, and whether or not administrative changes were needed, are indicative of both the far reaching impact MISAA has had on many aspects of financial aid administration and the varying extent of that impact. Some institutions, particularly the largest ones, have been severely impacted and have yet to "recover". Others have either not felt an impact, or have been able to cope with the increased workload. The institutions most severely impacted, in terms of increased flow of applications, and administrative managerial setbacks due to staff shortages, were the large, urban schools.

For schools that have made, or need to make, administrative adjustments, the first step is to add clerical staff. The general pattern reported by the aid officers is that for every two clerical personnel added or needed, one professional is added. Only if a very large staff must be added (i.e., 10 or more), do they report that the school will diversify its staff additions. They may then add an accountant or several student counselors. What is most notable, however, is the relative importance aid officers placed upon the two main effects of the increased workload, i.e., the handling of additional paperwork and the need to counsel more students. Aid officers seem far more concerned about dealing with the larger volume of paperwork then about providing direct student services. As one aid officer stated:

> "The administration - they don't know what's going on. They don't know the significance of financial aid, how it effects students coming here. They wouldn't know anything about what we do here unless we screw it up!"

Roughly one-half of the respondents made reference to their relationship with the university administration. The most vocal were the large State schools; half had negative comments, the nature of which was discussed above, while the other half had positive things to say:

> "The administration has been very responsive," "We weren't able to keep up with the 78-79 volume, and with MISAA coming along with a possible dramatic effect, the administration figured it had better prepare. They're also concerned about P.R. (Public Relations); problems in the financial aid office could cause bad P.R. around the State," and, "The administraton is very supportive and aware of the need for a good aid operation. The commitment is there."

As mentioned previously, the general pattern of adjustment has been to add clerical staff first, then professional, usually at a ratio of two clerical staff for each professional. Among large schools where staff increases of five or more have been required, counselors and accountants have also been added. Once such staff is added, the next step has been to require more office space usually in the range of 25-40 percent over last year. Surprisingly, few aid officers mentioned the need for more office equipment, as is evidenced by the fact that that only two schools specified a need for additional filing cabinets. Among institutions who use computers for data files, need analysis or packaging, an increase in real time or terminals was mentioned, usually corresponding to paperwork load increases.

Four-Year Private Institutions

Among the four-year private institutions surveyed, the flow of Federal financial aid dollars is perceived to have risen relative to the preceding academic year, but to a lesser degree than reported by the four-year publics. The only schools that did not observe a significant shift in the distribution of Federal funds on their campuses, of which there were but a few, are small and claim to have a very small middle income student population. These same schools have noticed no real increase in aid applications, nor have they needed to make any administrative adjustments.

Concurrent with an increase in the distribution of BEOG is, but to a lesser degree, a perceived increase (in terms of dollar volume and number of recipients) in the need for GSL funds, mainly among those in the upper reaches of the middle income bracket:

> "It has had a significant effect in terms of the Basic Grant and GSL programs. BEOG funds have allowed for institutional funds to be distributed to particularly late applicants. GSL certifications have doubled for this academic year, providing a resource to students in need, particularly those in the middle income area. Overall, MISAA has positively affected both the student applicants and the institution."

Aid officers also observed both an increase in the number of new and middle income recipients, and an increase in the amount of the awards for previous recipients. Middle income, married, and independent students were commonly cited as the primary beneficiaries of MISAA. Only one or two felt independents were disfavorably treated under MISAA.

In sum, these financial aid officers believe that the overall distribution of Federal financial aid dollars among four-year private institutions has increased. However, the perceived extent of this increase is less than that believed to have occurred in the four-year publics. Perhaps for that reason it is not surprising to find a higher frequency of comments to the effect that there are still significant numbers of students eligible for Federal financial aid funds who simply have not applied. As one individual observed:

> ". . . there are too many students, including those from middle income families, who are not properly counselled on financial aid in the high school and who never apply for aid because they do not know that they may be eligible".

All aid officers in private four-year institutions who noticed a significant change in the distribution of Federal aid funds on their campuses also noticed an influx of financial aid applications, an increase ranging from 10 percent or "moderate" to a maximum of 100 percent or "significant."

1/ Note that aid officers at four-year public institutions (p. 4.3) held similar feelings regarding the better position which they perceived four-year private schools held.

Relatively speaking, aid officers in the four-year private institutions perceive themselves as having been able to cope with the increased workload caused by MISAA without dramatically adjusting their staffing. Roughly one-third have not needed to make administrative changes, in spite of observed increases in dollar volume, recipients and applications. It is assumed that this is primarily due to the relatively small size of the four-year private institutions (as compared to the four-year publics). Those that did add staff, however, did so in fairly large numbers, and observed a higher volume of increased BEOG distribution. Those citing poor, or low, levels of support from the college's administration were those sustaining a relatively minor administrative impact stemming from MISAA. Those truly overwhelmed by the changes were the ones receiving positive administrative support.

Two-Year Public Institutions

Financial aid officers at the two-year public institutions surveyed paint a different portrait of the MISAA impact. Essentially, they note occurrences similar to those of their four-year counterparts, yet it seems that the impact of MISAA at two-year public schools has been muted somewhat by the increased concentration of students from low-income circumstances which are found in their student bodies. One financial aid officer at a public junior college noted, "most of our students come from low income circumstances. They qualified for aid before the MISAA legislation was enacted."

Among institutions which indicated that they perceived an impact of the MISAA legislation on their campus, recipients of BEOG funds were said to have increased from 30 percent all the way up to 200 percent, with the mean response hovering around 50 percent. There was little mention of the BEOG-GSL-Campus-Based linkage noted above as observed among the four-year institution types.

Some of these institutional financial aid officers felt middle income students were being reached adequately now. A few cited independent and married students as having gained significant benefit.

Staff additions noted by financial aid officers at two-year public schools were nearly all clerical in nature. The actions which these aid officers took to cope with the increased workload caused by the implementation of MISAA involved two schools which added counselors to their staff; one which requested but did not receive more office space, and several who cited the need for automated record management aparatus to keep up with the anticipated increased paperwork load. Most aid officers seemed to feel that the full brunt of the workload would not be fully felt until the 80-81 academic year.

Most aid officers at these schools discussed the support, or lack thereof, received from the institutions' administration. The split was roughly 50-50: half citing poor support, half citing positive support. The extent of such support did not seem to vary with the degree of the impact of MISSA.

Two-Year Private Institutions

In general, financial aid officers at two-year private colleges observed an increase in Federal financial aid funds distributed to those students from middle income backgrounds. This increase was most commonly observed in regard to the Basic Grant program. Increases in the numbers of Guaranteed Student Loans obtained by students were also noted. An aid officer at a two-year private college explained the effect MISAA has had at one school:

> "I see two basic effects of MISAA on the distribution of aid at (this campus). One is the GSL; anybody can get it now.... More significantly, at this campus we have seen almost twice as much money going to students through the Basic Grant program due mostly, I think, to the liberalization of the program."

The few schools which felt no real impact from MISAA were those, expectedly, with either a very low number of students from middle income families and/or a large number of disadvantaged students. Several respondents indicated that the impact had not been apparent yet, but would be felt in subsequent years.

The institutions at which financial aid officers perceived an impact from MISAA reported a 20 percent to 40 percent increase in application rate. Very few needed to make administrative changes, due to the relatively small size of the student body at an average institution of this type. "In a college of 340", said one aid officer, "we could double our number of aid recipients and still tolerate the paperwork". Despite the absence of any apparent need for administrative changes, aid officers were still not unanimously pleased with the level of support provided to them by their institution's administration. Again, the split on this point of contention was roughly 50-50.

Proprietary Schools

It is safe to say that the 'jury is still out' on the question of the impact of MISAA on proprietary institutions. The academic calendar at many proprietary institutions is less rigid than at most other types of schools - students can enroll at more frequent intervals (four to six weeks is common). Since the data collection phase of this study was conducted in the Fall, most proprietary schools were reluctant to draw any real conclusions regarding the overall impact of MISAA. At the end of the academic year, these aid officers will be in a better position to look back and judge the entire situation from a more informed perspective.

One aid officer summed up the general mood of financial aid personnel at proprietary schools:

> "Students that were not eligible for aid last year are receiving aid this year. We are receiving more money, but it would be difficult to say how significant the effect has been."

Roughly two-thirds of the aid officers noticed a growing number of BEOG recipients. Occasionally such comments were mixed with a noted increase in the rate of GSLs secured by students. This may be due to the relatively large proportion of proprietary schools which do not participate in the Campus-Based aid programs, thus leaving their students the Guaranteed Student Loan as the primary source of aid beyond Basic Grant (and, in specific cases, state entitlements). Increases in BEOG fund distribution ranged from none to "tremendous," with most schools

reporting a moderate (e.g., 20 percent) increase in total funding and new recipients. Many aid officers felt that the full impact of MISAA would be felt during the next academic year. Very few respondents indicated that they made and/or required administrative changes to cope with the increased influx of financial aid dollars.

"CAN YOU SUGGEST ANY WAYS IN WHICH USOE MIGHT BETTER REACH OUT TO THE MIDDLE INCOME STUDENT?"

This was the final question posed to the financial aid officers and frequently provided them with an opportunity to express their concerns spanning a wide range of issues. In spite of the open ended character of the question, the nature of the responses was consistent and can be grouped into four basic areas: 1) concerns regarding student financial aid information, 2) suggested changes in how USOE currently manages the Federal aid programs, 3) inequities, and 4) the paperwork burden.

Student Financial Aid Information

By far the most frequent area of concern cited by financial aid officers was the need for improved delivery of financial aid information to students. Roughly thirty percent of the aid officers mentioned this need, as illustrated by the respondents' perceptions that there are large numbers of eligible students who are not applying for financial aid. "One of the problems," related one such aid officer, "is that students who didn't get aid last year didn't come in this year--they don't know about it. Those students I'll never see."

Despite this apparent consensus regarding the existence of the problem, there seems to be a lack of agreement on how to best approach the solution. Suggestions offered for closing the information gap include: a "Media Blitz," the use of prime time T.V. spots; and advertisements in local and campus newspapers and youth oriented magazines; college nights; educating high school counselors; and the allocation of a Campus-Based advertising budget to be used at the FAO's discretion.

High school counselors were most frequently cited as people who might be able to reach potential college students at a particularly opportune time. Yet it was also noted that they are often quite under-educated in regard to Federal financial aid. It was suggested that USOE do more to inform high school counselors about the Federal financial aid programs. In sum, aid officers indicated that information dissemination activities should be delegated to more sectors of the aid community, rather than concentrated so densely at the institutional level.

Program Changes

There seem to be as many ideas on how to best administer and manage student financial aid as there are financial aid officers. A large number of the responses were specific to local situations. The ones which will be discussed here represent the mainstream of the thoughts offered.

Specific changes were suggested concerning all five federal aid programs. These can be roughly characterized as urging: standardization, consolidation, simplification, and less rigidity/more flexibility.

Aid officers regularly mentioned that they were pleased with MISAA, and felt USOE was, "doing a good job." "I don't believe any new programs are needed to better reach middle income students," responded one aid officer, "USOE should stay with their current programs and work on ways of administering them better." One aid office staffer felt that USOE should "reauthorize the program for five years so there are not so many drastic changes."

Several aid officers felt that program guidelines were too rigid, and that more discretion should be given to the local aid office. Specifically, income ceilings used for judging student eligibility should be raised.

The Basic Grant Program

In regard to the BEOG program, aid officers were found to be ready and willing to offer suggestions. The following are representative examples of the concerns of some institutional aid personnel:

- "USOE, not the institution, should be responsible for validation"
- "Raise income ceiling for eligibility"
- "Adjust BEOG annually to remain abreast of the inflation rate"
- "Have SEOG allocations to the institutions based on a percent of its BEOG dollar consumption."
- "Make it a Campus-Based program"

This last suggestion was advocated by a financial aid officer who offered a rather unique proposal for the future shape of the Basic Grant program:

- "The only wise solution for the Basic Grant program is to make it Campus-Based. A student on paper has need, a zero BEOG index. All I have is a S.E.R., but I know she doesn't need it. What do I do? It's an example of how the Basic Grant program doesn't have enough information to make a legitimate decision. If you had the FAF, you would have the right information. On BEOG, unless you have the right information, you can't do anything."

Loans and Work

Suggestions were also offered on the Federally-sponsored loan and work programs. Among the more common comments from financial aid officers were:

- "Raise the income ceiling for GSL";
- "Consolidate the loan programs" (NDSL and GSL); and
- "Create a parent's loan program".

The suggestions made concerning the College Work-Study program span a large number of issues. Some aid officers see the need to remove restrictions on CWS eligibility. For example, some aid officers stated:

"Let work study be used for students who want to work instead of making it a 'need program'."

"The need criteria for CWS should be eliminated. Too many college graduates are leaving school with no job experience, and worse yet, no career goals. By letting anyone receive CWS funds, students could receive valuable work experience, which employers value so highly, and many might develop some career goals."

Other Comments

A large number of aid officers wished to know if and when USOE would start paying institutions a per application allowance for handling SERs and GSL applications. Many also felt that USOE should be more responsive to the suggestions of the financial aid community. One said,

"OE doesn't use the aid community's experience enough. Some of the decisions they make seem arbitrary, and "raise hell" with the financial aid officer. Many increase inefficiency, i.e., making the SERs 10-1/2" by 11" (won't fit in a file) with no carbons."

Others believed in using the resources of USOE to help the financial aid community gain respect, recognition, and support from institutional administrators.

"OE needs to do more to establish the importance of the financial aid officer with the administrators (of the university). FAOs and the entire program (i.e., system) need to be professionalized in terms of position, wages, and benefits, as we handle enormous amounts of money and responsibility..."

Inequities

The aid officers interviewed often cited particular student types as being inequitably treated with regard to the determination of need. There was, however, a lack of consistency in terms of what student types were cited as being discriminated against or treated fairly.

Most prevalent among the comments was the observation that under MISAA, independent students (including married students with dependents), were being treated inequitably. This was followed by the second most prevalent comment, that independents were the primary beneficiaries of MISAA. Additionally, dependent students whose parents had large non-liquid assets, including a home, farm, or business were specified as among those being treated unfairly. Among the comments provided was this:

"Married students don't get the benefit of these programs; they're not designed for them; they're blown right out of the program. One can go to school, but not both. (The eligibility criteria) need some adjustment so they can earn more and still be eligible."

Several aid staffers argued that the asset protection allowance should be raised. Others, particularly those from very rural areas, felt that summer earnings, as recommended by CSS and ACT, were too high. An aid officer voiced concern that the savings requirements were not achieving their intended goal:

"The system seems to penalize the prudent. A student who works and saves for school is penalized with a reduced aid package. They're told to spend all their savings the first year so as to be eligible for more aid the next year.

Paperwork

More than one aid officer claimed that the most time consuming and labor-intensive activity undertaken by an aid office is the paperwork related to participation in Federally-sponsored student aid programs. BEOG, by virtue of the high volume of applicants and recipients, is the most burdensome. A few complaints were registered concerning the complexity of some Federal regulations. Aid officers felt that these regulations could have been better written (i.e., less ambiguous and more responsive to the needs of institutions) if the financial aid community had been consulted on a regular basis. The increased flow of paperwork stemming from the increased number of applications and awards related to MISAA has, in some schools, reduced "turnaround time" (the interval between the time that a student submits an aid application and receives a report on eligibility) due to the necessity for developing more efficient methods of processing aid applications. As a result of all the concentration of labor on applicant processing, services to students may have suffered. Others felt BEOG applications and need analysis forms were too complex and should be standardized, for both the institution's and student's benefit. It was also the opinion of some aid officers that

validation of student-reported data and NDSL collections should be handled by USOE, and could be better facilitated by data matches and tape exchanges with the Internal Revenue Service, Social Security, and Veteran Aministration.

The following quotes are presented as representative of the feelings and suggestions conveyed by a number of financial aid officers:

> "The biggest single problem we face is the excessive onslaught of administrative regulations and that OE is not assisting with the administrative costs."

> "Tell the Feds to get out of D.C. and hold sessions with people in the field. Don't depend on the associations; when developing regulations, draw in people from the field to discuss drafts on the front end — not after the proposed regulations are printed. By then, too much is invested in them by the people in D.C."

> "Our major complaint is that while we apply for Federal money in October, we often don't get a final authorization until June. We are running blind for months we don't have enough information to plan accordingly."

> "The BEOG validation report stinks! Fourteen pages of instructions. Read them and you'll never get the report done. It takes the award for the most senseless description of how to do something. I'm afraid some O.E. employee got their masters on writing that report."

> "They should fund the administrative allowance for the Basic Grant program — I strongly encourage OE to do this. Having to validate so much data, the increased paperwork — so many officers are not out there pushing programs because they don't have the time or the money. It's nice to see the banks getting increased allowances, but we feel we're somewhat uninvolved in this process too. Funding the allowance would help motivate schools to get out and push the aid programs."

SUMMARY

Obviously, financial aid officers have a lot to say about their chosen field. As is noted in the Site Visit Report and Final Report Volume I of the baseline study, aid officers come from a wide range of backgrounds and operate under differing conditions. Aid officers have a decidedly local prospective, but, as the above has illustrated, they are concerned about the overall framework of student aid programs. Their comments reflect the diversity of thought which pervades the aid community.

APPENDICES

APPENDIX A

INSTITUTIONAL STUDENT SAMPLING PROCEDURES

TO: SISFAP COORDINATORS AT INSTITUTIONS PARTICIPATING IN THE FOLLOW-UP STUDY OF EFFECTS OF MISAA

FROM: Mr. Michael J. Puma. Project Director

DATE: September 6, 1979

SUBJECT: 1979-80 Field Work and Student Sampling

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1. General Information

Thank you for your continuing interest in this research. We have tentatively scheduled a visit to your school on the dates noted in the box, below right. These visits will not involve contact with students or extensive interviews with school personnel. Our work will be restricted to extracting financial aid data for those students in the sample who are recipients. We want to meet briefly with you, but if this is inconvenient at the time of the site visit our questions can be handled later by telephone. For these reasons, we do not expect many scheduling conflicts. If you sense a possible problem, give us a call (see WATS number, below).

INSTITUTION:

TENTATIVE VISITATION DATES:

Please complete the selection of students as quickly as you can; names and addresses are needed so that we can send questionnaires directly to the students.

As soon as the completed sample is available, please mail a copy of the listing to us at the following address:

G-129 MISAA Followup Survey
Applied Management Sciences, Inc.
962 Wayne Avenue
Silver Spring, Maryland 20910

Hold the original listing and all associated work sheets, including this memorandum, for use by our field representative in the work on-site at your school.

FOR ASSISTANCE: CALL OUR TOLL-FREE NUMBER: 800-638-2784, BETWEEN THE HOURS OF 8:30 AND 5:30 EASTERN TIME, AND ASK FOR DICK ELLIS, MARK COOPER, OR MIKE PUMA.

Detailed instructions for sampling follow.

2. Selecting the Sample of Students

The sample is to be of all currently enrolled, half-time or more, undergraduate students. For every student sampled, we will need an ID number, name, and current mailing address. The address should be the one used by the student while in school this Fall, so that questionnaires can reach them with a minimum of forwarding. We have supplied forms that can be used to record these data (the Revised Sample Listing of Students, attached). If it is easier to supply the information in some other form, please feel free to do so. If computer-generated address labels can be supplied, this would be appreciated.

The estimate we have of your school's total half-time or better undergraduate enrollment is entered in Box (1) at the right. If this number is incorrect, it may affect the size of the sample and it will definitely affect the calculated sampling interval, below. Correct the figure and call us to obtain adjustments for the interval.

(1) ESTIMATED TOTAL UNDERGRADUATE ENROLLMENT, HALF-TIME OR MORE

The figure in Box (2) is our calculated sample size for your school. The sampling interval is derived by dividing (1) by (2); that result has been entered in Box (3).

(2) TOTAL SAMPLE SIZE

To sample, you will need a list of all the half-time or better undergraduates currently enrolled at your school (if your total enrollment is 80 or less, no sampling need be done; we will survey all students). Sampling will require the following steps:

(1) ÷ (2) = (3) SAMPLING INTERVAL

a) Clean the list. That is, make certain it contains only half-time or more undergraduates.

b) Select a random start. Choose a number randomly between one and ten, inclusive (one way to do this is to ask someone else to pick the number). Suppose the number is "4." Take the list and count off the first four cases. The next case is the random start.

c) Select cases. Beginning with the random start, count off the number of cases specified by the sampling interval. Suppose the interval is "10." Continuing the above illustration, the first four cases were passed to reach the random start. The count begins with the fifth case and the 14th case will be the first sampled. You would continue taking every tenth case (or 16th, or 20th, or whatever the interval dictates). The sample in the illustration would consist of the 14th, 24th, 34th, etc. cases. If more cases

are needed after reaching the end of the list, return to the "top" of the list and continue the count, skipping those previously selected.

d) List selected cases in the Revised Sample Listing. Assign each a three-digit ID number, beginning with 001, 002, etc. Check off whether each case is an aid recipient or not, and enter current mailing addresses (these do not need to be entered if separate address labels have been supplied).

When you have reached this point, count the total number of aid recipients in the Revised Sample Listing and enter this total in Box (4). Next, divide the sample size (Box 2) in half, and enter this number (fractional results can be rounded down to the next whole number) in Box (5). If (4) is equal to or greater than (5), you are finished. If (4) is less than (5), enter the difference in Box (6). This is the number of extra aid recipients we will need in addition to those already sampled. To select these extra cases, enter an estimate of the number of students at your school who are aid recipients in Box (7). Divide (7) by (6). The result, entered in Box (8), is the sampling interval for extra recipient cases. These can be selected by applying this interval to your own files, assuming you keep one file per student. If students have more than one file (for example, separate files for separate aid programs), call us for further instructions. Note that the students previously selected should be skipped in this count.

CHECK: the total number of students in the Revised Sample Listing should now be equal to the Total Sample Size (Box 2) plus any extra recipient cases (Box 6).

(4) AID RECIPIENTS IN THE SAMPLE:
(5) ONE-HALF OF TOTAL SAMPLE: (Box 2, divided by two)
(5) - (4) = (6) DIFFERENCE:
(7) TOTAL NUMBER OF AID RECIPIENTS AT YOUR SCHOOL
(7) - (6) = (8) SAMPLING INTERVAL (EXTRA RECIPIENTS)

(INSERT USED FOR SCHOOLS PARTICIPATING IN BASELINE STUDY AND WHICH WERE FOUR YEAR)

2. Selecting the Sample of Students

The sample should closely resemble the student sample taken last Spring. In particular, it should include as many of the students who participated before as possible. To accomplish this, the procedures for this year's sampling are somewhat different.

For every student sampled, we will need an ID number, name, and current mailing address. The address should be the one used by the student while in school this Fall, so that questionnaires can reach them with a minimum of forwarding. We have supplied forms that can be used to record these data (the Revised Sample Listing of Students, attached). If it is easier to supply the information in some other form, please feel free to do so. If computer-generated address labels can be supplied, this would be appreciated.

Your Total Sample Size is given in Box (1) at the right, and will include three kinds of students:

(1) TOTAL SAMPLE SIZE

CARRYOVER CASES. These are students who participated in the study last Spring. They are identified in the original roster for that survey, enclosed with this memorandum. Take this roster and cross off the students who are not currently enrolled, half-time or more, as undergraduates. Then transfer the remaining names and their original ID numbers to the Revised Sample Listing. Count the number of these Carryover Cases and enter this total in Box (2) at the right.

(2) CARRYOVER CASES:

NEW FIRST-YEAR STUDENTS. These must be sampled anew. The number needed for the revised sample is given in Box (3). In Box (4), enter the total number of new first-year, half-time or more, undergraduates enrolled at your school. Next, divide (4) by (3). The result, rounded down to the nearest whole number, is the sampling interval for new first-year students. Enter this interval in Box (5). The sample of these students can now be drawn, using either:

- a list of new first-year, half-time or more, undergraduates, or
- a list of all half-time or more undergraduates, annotated to show class level, and skipping the upperclass students in the count.

(3) FIRST-YEAR CASES:

(4) FIRST-YEAR ENROLLMENT:

(4) ÷ (3) = (5) SAMPLING INTERVAL (1ST YEAR CASES)

Sampling should follow procedures outlined in Section 3 of this memorandum, below. Enter the selected students on the Revised Sample Listing, and assign them ID numbers in the 500-699 range (e.g., the first case is 501, the second is 502, etc.)

NEW UPPERCLASS STUDENTS. Add together the numbers in Boxes (2) and (3), and subtract this total from the overall sample size given in Box (1). The result, which should be entered in Box (6) at the right, is the number of additional upperclass cases needed to complete the sample. In Box (7), enter the total number of upperclass undergraduates enrolled half-time or more at your school. Next, divide (7) by (6); the result, rounded down to a whole number, is the sampling interval for new upperclass students. Enter the interval in Box (8). The sample of these students can now be drawn, using either:

- a list of upperclass undergraduates enrolled half-time or more, or
- a list of all half-time or more undergraduates, annotated to show class level, and skipping first-year students in the count.

Sampling again follows procedures outlined in Section 3, below. Enter the selected students on the Revised Sample Listing, and assign them ID numbers in the 700-899 range (e.g., the first case would be 701, the second 702, etc.)

LAST: Divide the total sample size (in Box 1) in half, and enter the result, rounded down to the nearest whole number, in Box (9). Now, take the entire Revised Sample Listing and count the number of current aid recipients that have been selected, and enter this total in Box (10). If this number is equal to or greater than the amount in Box (9), the sampling has been completed. If it is less than the amount in Box (9), enter the difference in Box (11). This is the number of extra recipients needed, in addition to those already sampled. To select these cases,

(6) NEW UPPERCLASS CASES:

(7) TOTAL UPPERCLASS ENROLLMENT:

(7) ÷ (6) = (8) SAMPLING INTERVAL (UPPERCLASS CASES)

(9) ONE-HALF TOTAL SAMPLE (Box 1 divided by two)

(10) AID RECIPIENTS SAMPLED

(11) DIFFERENCE: (9) - (10)

enter an estimated number of students at your school who are aid recipients in Box (12). Divide (12) by (11). The result, entered in Box 13, is the sampling interval for extra recipient cases. These can be drawn by applying the interval to your own files, as long as you keep one file for each student. If students have more than one file (for example, separate files for separate aid programs), call us for further instructions. Note that previously sampled students should be skipped in the count.

(12) TOTAL NUMBER OF AID RECIPIENTS AT YOUR SCHOOL

(12) ÷ (11) = (13) SAMPLING INTERVAL (EXTRA RECIPIENTS)

CHECK STEP: the total number of students in the Revised Sample Listing should now be equal to the Total Sample Size (Box 1) plus any extra recipient cases (Box 11).

3. General Procedure for Selecting Random Samples

a) Clean the list. That is, make certain it contains only persons of the specific type to be selected (first-year students, undergraduates, recipients, etc.) and that it doesn't include persons already sampled (carryovers, etc.). A "general list" can be cleaned by simply marking it as you go along and skipping over inapplicable cases as you count off each interval.

b) Select a random start. Choose a number randomly between one and ten, inclusive (one way to do this is to ask someone else to pick the number). Suppose the number is "4." Take the list and count off the first four cases. The next case is the random start. Choose a new random start for each new round of sampling.

c) Select cases. Beginning with the random start, count off the number of cases (skipping inapplicable students as needed) specified by the sampling interval. Suppose the interval is "10." Continuing the above illustration, the first four cases were passed in reaching the random start. The count begins with the fifth case and the 14th case in the list will be the first sampled. You would continue taking every tenth case (or 16th, or whatever the interval dictates). The sample in the illustration would consist of the 14th, 24th, 34th, etc., cases. If more cases are needed after reaching the end of the list, return to the "top" of the list and continue the count, skipping those already selected.

d) List selected cases in the Revised Sample Listing, using original ID numbers for carryovers, 500-699 numbers for new first-year students, and 700-899 numbers for new upperclass students. Check off whether an aid recipient or not, and enter current mailing addresses (these do not need to be entered if separate address labels have been supplied).

APPENDIX B

DATA COLLECTION INSTRUMENTS

AND STUDENT FOLLOW-UP

LETTERS

Applied Management Sciences, Inc.
Silver Spring, Maryland
Study of Program Management Procedures
in the Campus-Based and Basic Grant Programs
(MISAA Effects Follow-up):

RECORD REVIEW FORM

INFORMATION FROM FINANCIAL AID RECORDS
FOR STUDENTS RECEIVING ASSISTANCE IN
THE 1979-80 ACADEMIC YEAR

OMB No.: 51-S-78036
Approval Expires: 12/31/79

FOR OFFICE USE ONLY--LEAVE THIS AREA BLANK.

INSTITUTION CODE [ ][ ][ ][ ][ ][ ] 1-6

STUDENT NUMBER [ ][ ][ ] 7-9

10="7"

11-12="01"

General Instructions:

All information should be transcribed from the sample of selected student records. Data can be entered on this form by circling the appropriate response, or by recording numbers in the boxes provided for this purpose. All boxes should be filled, using zeroes as needed:

EXAMPLE: *household size is three people:* [0][3]

EXAMPLE: *parental income is $9,500:* $ [9][5][0][0]

EXAMPLE: *student income is zero:* $ [0][0][0][0][0]

EXAMPLE: *income is unknown:* $ [9][9][9][9][9]

Please record financial data to the nearest whole dollar.

ENTER: STUDENT STATUS

Current Aid Recipient 1
Aid Applicant/Non-Recipient . . . 2
Withdrawn Student 3

13

SECTION A: CLASSIFICATION INFORMATION

1. Enter the student's YEAR OF BIRTH: (If no data, code = 99.) 19[ ][ ] 14-15

2. SEX: (Circle only one)
Male 1
Female 2
No data available. 3

16

3. ETHNICITY: (Circle only one)
American Indian or Alaskan Native 1
Asian or Pacific Islander 2
Black, not of Hispanic origin 3
Hispanic. 4
White, not of Hispanic origin 5
No data available 6

17

4. MARITAL STATUS: (Circle only one)
Single (or never married). 1
Married. 2
Separated. 3
Divorced 4
Widowed. 5
No data available. 6

18

FOR OFFICE USE ONLY--LEAVE THIS AREA BLANK.

5. Is tuition based on the student's residence status? If yes, for tuition purposes, what residence status applies to this student? *(Circle only one)*

No: Tuition is not based on resident status	1	19
Yes: For tuition purposes, this student is a:		
.. District/county resident	2	
.. State resident	3	
.. Non-state resident	4	
.. Foreign student	5	
No data available	6	

6. Student's PRESENT LIVING ARRANGEMENT: *(Circle only one)*

On campus	1	20
Off campus, with parents	2	
Off campus, not with parents	3	
No data available	4	

7. Student's FINANCIAL DEPENDENCY STATUS: *(Circle only one)*

Financially dependent	1	21
Financially independent	2	
No data available	3	

8. Total SIZE OF HOUSEHOLD: *(If no data available, code = 99)* ☐☐ 22-23

9. Number of people in this household enrolled half-time or more in a postsecondary institution: *(Unless he or she has withdrawn, INCLUDE THIS STUDENT in the count.) If no data is available, code = 99)* ☐☐ 24-25

FOR OFFICE USE ONLY--LEAVE THIS AREA BLANK.

10. Student's CURRENT CLASS LEVEL: (*Circle only one*)

Freshmen (or First-Year Vocational/Technical)	01	
Sophomore (or Second-Year Vocational/Technical)	02	
Junior	03	
Senior	04	26-27
Fifth-year undergraduate	05	
No data available	06	
Other (*specify*): _____	07	28-29

11. Student's CURRENT ENROLLMENT STATUS: (*Circle only one*)

First-time entering student (*freshmen, first-term graduate students, etc.*)	1	
Continuing student	2	30
Transfer student	3	
No data available	4	

12. Student's SAT/ACT SCORES:

SAT Scores

Verbal (*If no data available, code = 999*)		31-33
Mathematics (*If no data available, code = 999*)		34-36

ACT Scores

English Expression (*If no data available, code = 99*)		37-38
Social Studies Reading (*If no data available, code = 99*)		39-40
Science Reading (*If no data available, code = 99*)		41-42
Mathematics (*If no data available, code = 99*)		43-44
Total Score (*If no data available, code = 99*)		45-46

13. Student's HIGH SCHOOL PERCENTILE RANK: (*Circle only one*)

Top quarter	1	
Second quarter	2	
Third quarter	3	47
Bottom quarter	4	
No data available	5	

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14. FIELD OF STUDY: (*Circle only one*)

Agriculture, natural resources and home economics	01	48-49
Biological sciences	02	
Business and management	03	
Commerce technologies	04	
Computer science/technologies	05	
Education	06	
Engineering	07	
Fine arts, languages and letters	08	
Law	09	
Mechanical, engineering and natural science technologies	10	
Medicine	11	
Nursing	12	
Other health professions and technologies	13	
Physical sciences and mathematics	14	
Public affairs and public service technologies	15	
Social sciences and psychology	16	
General arts and sciences or undecided	17	
No data available	18	
Other professional disciplines (specify)_____	19	50-51

15. Student's CURRENT (this term) COURSE LOAD: (*Enter number of credit hours or clock hours. Circle one code to denote whether credit or clock hours is applicable; circle one code to denote whether student is considered full-time or part-time*)

A. Credit/clock hours: [ ] [ ] 52-53

B. Number are:
- Credit hours 1
- Clock hours 2

54

C. Student is considered:
- Full-time 1
- Part-time 2

55

16. GRADE POINT AVERAGE (*If no data available code = 99*) . . . . . [ ] [ ] . [ ] 56-58

FOR OFFICE USE ONLY--LEAVE THIS AREA BLANK.

SECTION E: FINANCIAL AID INFORMATION (If data are available, code = 99999)

17. Student's CURRENT NINE-MONTH ACADEMIC YEAR BUDGET: $ _____ 59-63

18. Income Sources (Record exact amount and check box to indicate source. If possible use IRS 1040, next use SER, and lastly use need analysis form or other record.)

11-12-"02"

	AMOUNT	SOURCE USED: 1040	SER	Other	
Non-taxable income (Social Security, Child Support, Welfare, etc.)	$		☐	☐	13-17,18,19
Adjusted gross income	$	☐	☐	☐	20-24,25,26,27
Earnings of second earner	$	☐	☐	☐	28-32,33,34,35
Federal taxes paid	$	☐	☐	☐	36-40,41,42,43
Medical/dental expenses	$	☐	☐	☐	44-48,49,50,51
Casualty/theft loss	$	☐	☐	☐	52-56,57,58,59
Elementary/high school tuition	$		☐	☐	60-64,65,66
Home Equity (value-mortgage)	$		☐	☐	67-72,73,74
Other Equity (investments or other real estate: total value - debts)	$		☐	☐	11-12-"03" 13-18,19,20
Business Equity[(value - debts)x % ownership]	$		☐	☐	21-26,27,28
Farm Equity[(value - debts) x % ownership]	$		☐	☐	29-34,35,36
Cash, Savings, etc.	$		☐	☐	37-42,43,44

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19. FAMILY CONTRIBUTION for the current academic year:

Calculated parental contribution (If negative put "-" in first box)	$	45-49
Student Eligibility Index (SEI)		50-53
Student's summer earnings (Non-CWS)	$	54-58
Student's contribution from assets	$	59-63
Student's academic year earnings, exclusive of CWS or other aid	$	64-68
Spouse's contribution	$	69-73
Student's total veteran's benefits (Monthly amount x months)	$	74-78
		11-12="04"
Student's total social security benefits (monthly amount x months)	$	13-17
Other (specify): _____	$	18-22
		23-24

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20A. TYPES AND AMOUNTS OF FINANCIAL AID RECEIVED: (All amounts should be for the current academic year. If shown for only one semester, double all amounts. Please specify all "Other" kinds of assistance received by the student, and code the SOURCE of each using the following codes. If data are not available, code = 9999. DO NOT RECORD AID THAT WAS REFUSED.)

1 = State grant;
2 = Institutional grant--need-based;
3 = Institutional grant--ability-based;
4 = Tuition remission;
5 = Private, non-institutional grant;
6 = Other Federal grant;
7 = Other non-Federal loan; and
8 = Other or source unknown.

Basic Educ. Opp. Grant (BEOG)	$ ☐☐☐☐	25-28
Supplemental EOG (SEOG)	$ ☐☐☐☐	29-32
Nat'l Direct Student Loan (NDSL)	$ ☐☐☐☐	33-36
College Work-Study (CWS)	$ ☐☐☐☐	37-40
Guaranteed Student Loan (GSL)	$ ☐☐☐☐	41-44
Other (specify): _____ _____	$ ☐☐☐☐	45-48
	☐☐	49-50
	Source code: ☐	51
Other (specify): _____ _____	$ ☐☐☐☐	52-55
	☐☐	56-57
	Source code: ☐	58
Other (specify): _____ _____	$ ☐☐☐☐	59-62
	☐☐	63-64
	Source code: ☐	65
Other (specify): _____ _____	$ ☐☐☐☐	66-69
	☐☐	70-71
	Source code: ☐	72

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11-12-"05"

20B. Did the student reject or refuse any financial aid? No.... 1 — 13

Yes... 2

IF YES: What aid and what amounts?

Type of Aid: _____ ☐☐ 14-15

Amount: $ ☐☐☐☐ 16-19

Type of Aid: _____ ☐☐ 20-21

Amount: $ ☐☐☐☐ 22-25

21. Does student have a CURRENT CWS JOB? If YES: indicate where. (If more than one, report the job on which student works the most hours. Circle only one.)

No: Student does not have a current CWS job 1

Yes: On campus. . . . . 2 — 26

Yes: Off campus 3

No data available. 4

IF YES: type of CWS job is....._____ ☐☐ 27-28

22. Did you find any inconsistencies among the documents in the file?

Yes . . . . . 1 — 29

No 2

O.M.B. No. 51-S-78036
Approval Expires 12/31/79

Institution Code

Student Code

APPLIED MANAGEMENT SCIENCES

962 Wayne Avenue • Suite 701 • Silver Spring, Maryland 20910
Telephone 301 585-[illegible]

Fall, 1979

Dear Student:

Earlier this year, many students provided information on how they were financing their educations, in order to help the U.S. Office of Education and the Congress in Washington understand how Federal student aid programs are working and how they might be improved. Some of you may have even participated in this earlier effort, and we thank you for making it a success.

One of the main issues that surfaced in this research was a concern on the part of both students and financial aid officers over the fairness and equity of the distribution of Federal aid to different kinds of persons. Although all of these issues have not yet been resolved, some changes have been made, particularly with regard to the "middle income" students. Specifically, USOE has implemented the Middle Income Student Assistance Act (MISAA) which is aimed at helping the middle income student while retaining its original commitment to the low income student.

Now, in the Fall of 1979, as a result of these changes the government has decided that this presents a good opportunity to find out what the effects of these changes have been, by resurveying postsecondary students. Some of you are being recontacted from our earlier study while the rest of you have been randomly selected from the schools which you are currently attending. Regardless of how you were selected, and whether or not you are presently receiving student aid, it is important that you respond--your individual circumstances are of significance to the decision-making process. Moreover, without complete responses, our resulting conclusions may not accurately reflect the status of today's post-secondary student. For your time, we will send you $3.00 upon receipt of the completed questionnaire.

As we emphasized before, a great deal is at stake for both schools and students since Federal student aid represents a substantial share of all funds used to support postsecondary education. Moreover, all of the student assistance programs will be undergoing reauthorization during the Spring of 1980 and it is critical that changes be made on accurate information about your needs. The fact that billions of dollars are involved has led the Congress to authorize this survey by law (Section 416, the General Education Provision Act as amended [20 USC 1226c]). The Congress has also

acted to protect the privacy of citizens who cooperate with such surveys (the Privacy Act of 1974, PL 93-579). Neither the government nor your school will see your response. The data will be keypunched for statistical analyses, and all identifying numbers and the forms themselves will be destroyed. You need not record your name. We welcome extra comments; over 400 were received last Spring, and were summarized and distributed, using anonymous extracts to convey the flavor of what students had to say.

The form can be completed in less than half an hour. When you complete the questionnaire, slip it into the enclosed envelope and mail it.

Thank you very much for your time and your help.

Sincerely yours,

APPLIED MANAGEMENT SCIENCES, INC.

Robert T. Deane

Robert T. Deane, Ph.D.
Vice-President

RTD/bw

Enclosures: Questionnaire
Return Envelope

FOR OFFICE USE ONLY. LEAVE THIS AREA BLANK.

1-9=19

10-"5"

11-12-13

13-14

SECTION A: GENERAL INFORMATION

1. DATE OF BIRTH: month [ ] year [ ]

FOR EACH OF THE FOLLOWING ITEMS, PLEASE CIRCLE THE APPROPRIATE RESPONSE.

2. SEX:

Male. 1 17
Female. . . . 2

3. WHAT IS YOUR RACE/ETHNICITY? (*Circle only one.*)

American Indian or Alaskan Native . . 1
Asian or Pacific Islander 2
Black, not of Hispanic origin 3 18
Hispanic. 4
White, not of Hispanic origin 5

4. MARITAL STATUS:

Single. 1
Married 2
Separated 3 19
Divorced. 4
Widowed 5

5. IS YOUR TUITION BASED ON YOUR PLACE OF RESIDENCE? (THAT IS, DO YOU ATTEND A STATE OR COMMUNITY COLLEGE WHERE NONRESIDENTS HAVE TO PAY MORE?) IF YES, FOR TUITION PURPOSES, WHAT RESIDENCE STATUS APPLIES TO YOU? (*Circle only one.*)

No, tuition is not based on place of residence. 1

Yes, tuition is based on place of residence. I am a:

District/county resident. 2 20
State resident. 3
Non-state resident. 4
Foreign student 5

6. WHICH OF THE FOLLOWING BEST DESCRIBES YOUR PRESENT LIVING ARRANGEMENT?

On-campus 1 21
Off-campus with parents 2
Off-campus not with parents 3

7. IN TERMS OF THE RULES GOVERNING FEDERAL STUDENT AID, ARE YOU A DEPENDENT OR INDEPENDENT STUDENT? (*Circle only one.*)

I am a DEPENDENT STUDENT (e.g., I have been claimed as an exemption for income tax purposes in either of the past two years; or I have received more than $600 per year from my parents in the past two years; or I have lived in the home of my parents for more than two consecutive weeks per year in the past two years). 1 22

I am an INDEPENDENT (SELF-SUPPORTING) STUDENT (e.g., I have not been claimed as an exemption by any person (other than spouse) for income tax purposes in either of the past two years; and I have not received more than $600 per year from my parents in the past two years; and I have not lived in the home of my parents for more than two consecutive weeks per year in the past two years). . . 2

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8A. DO YOU SUPPORT ANY PERSON OTHER THAN YOURSELF?

Yes . . . 1 23

No. . . . 2

8B. IF YES, HOW MANY?

Spouse. 1 24

Children. . . 25-26

Other 27-28

9. WHAT WAS YOUR TOTAL INCOME IN 1978 BEFORE TAXES? CONSIDER TOTAL INCOME FROM ALL SOURCES (INCLUDING SPOUSE), AND INCLUDING SOCIAL SECURITY OR OTHER NON-TAXABLE SOURCES, BUT EXCLUDING STUDENT FINANCIAL AID. (*Circle only one.*)

Nothing.	01	29-30
Less Than $1,500 . . .	02	
$ 1,500 - $ 2,999. . .	03	
$ 3,000 - $ 3,999. . .	04	
$ 4,000 - $ 4,999. . .	05	
$ 5,000 - $ 7,499. . .	06	
$7,500 - $9,999. . .	07	
$10,000 - $12,499. . .	08	
$12,500 - $14,999. . .	09	
$15,000 - $17,499. . .	10	
$17,500 - $19,999. . .	11	
$20,000 - $24,999. . .	12	
$25,000 or more . . .	13	

10. WHAT WAS YOUR PARENTS' APPROXIMATE ANNUAL INCOME IN 1978 BEFORE TAXES? CONSIDER INCOME FROM ALL SOURCES, INCLUDING SOCIAL SECURITY OR OTHER NON-TAXABLE INCOME. (*Circle only one.*)

Don't know	01	31-32
Less than $1,500 . . .	02	
$ 1,500 - $ 2,999. . .	03	
$ 3,000 - $ 3,999. . .	04	
$ 4,000 - $ 4,999. . .	05	
$ 5,000 - $ 7,499. . .	06	
$7,500 - $9,999. . .	07	
$10,000 - $12,499. . .	08	
$12,500 - $14,999. . .	09	
$15,000 - $17,499. . .	10	
$17,500 - $19,999. . .	11	
$20,000 - $24,999. . .	12	
$25,000 or more. . . .	13	
Parents deceased . . .	14	

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11A. ALL STUDENTS: HOW MANY PERSONS ARE IN YOUR PARENTS' HOUSEHOLD? (INCLUDE PARENTS, BROTHERS, SISTERS, OTHERS WHO ARE DEPENDENT UPON YOUR PARENTS FOR SUPPORT, AND YOURSELF, IF APPLICABLE; IF YOU'RE A DEPENDENT (NON-SELF-SUPPORTING) STUDENT, BE SURE TO COUNT YOURSELF; INDEPENDENT STUDENTS SHOULD NOT COUNT THEMSELVES.) . . . . . [ ] 33-34

11B. INDEPENDENT (SELF-SUPPORTING) STUDENTS ONLY: HOW MANY PERSONS ARE IN YOUR HOUSEHOLD? (IF DIFFERENT FROM YOUR PARENTS' HOUSEHOLD, COUNT YOURSELF PLUS ANYONE WHO IS DEPENDENT ON YOU.) . . . . . [ ] 35-36

12A. ALL STUDENTS: HOW MANY PERSONS IN YOUR PARENTS' HOUSEHOLD ARE ATTENDING A COLLEGE OR A POST HIGH SCHOOL VOCATIONAL/TECHNICAL SCHOOL? (IF YOU COUNTED YOURSELF FOR QUESTION 11A, COUNT YOURSELF HERE.). . . . . [ ] 37-38

12B. INDEPENDENT STUDENTS ONLY: HOW MANY PERSONS IN YOUR HOUSEHOLD ARE ATTENDING A COLLEGE OR A POST HIGH SCHOOL VOCATIONAL/TECHNICAL SCHOOL? (IF DIFFERENT FROM YOUR PARENTS' HOUSEHOLD, COUNT YOURSELF PLUS ANYONE ELSE IN YOUR HOUSEHOLD WHO IS GOING TO SCHOOL.). . . . . [ ] 39-40

13A. ARE YOUR PARENTS HELPING TO PAY FOR THE COLLEGE OR POST HIGH SCHOOL VOCATIONAL/TECHNICAL EDUCATION OF YOUR BROTHER(S) AND/OR SISTER(S) THIS ACADEMIC YEAR (EXCLUDING YOURSELF)? 42

Yes 1
No 2
Not applicable 3

13B. IF YES, HOW MANY? . . . . . [ ] 42-43

14. ARE YOU NOW OR HAVE YOU EVER PARTICIPATED IN ANY OF THE FOLLOWING PROGRAMS? (Check *all* that apply.)

Upward Bound. . . . . [ ] 44
Talent Search . . . . . [ ] 45
Special Services Program. . [ ] 46

15. WHAT WAS YOUR ACADEMIC ACHIEVEMENT, AS MEASURED BY GRADES, IN HIGH SCHOOL? (Circle *only* one.) 47

High school equivalency test 1
Mostly A's (a numerical average of 90-100. 2
About half A's and half B's (85-89). . . . 3
Mostly B's (80-84) 4
About half B's and half C's (75-79). . . . 5
Mostly C's (70-74) 6
About half C's and half D's (65-69). . . . 7
Mostly D's (60-64) 8
Mostly below D's (below 60). 9

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16. DID YOU EVER RECEIVE FINANCIAL AID COUNSELING FROM YOUR HIGH SCHOOL (E.G., COUNSELORS, TEACHERS, COACHES, ASSEMBLIES, ETC.)?

Yes 1 48
No 2

SECTION C: WORK EXPERIENCE

17. DO YOU WORK WHILE ATTENDING SCHOOL (EXCLUDING PARTICIPATION IN THE FEDERAL COLLEGE WORK-STUDY PROGRAM*)?

Yes 1 49
No (*Skip to 21*) 2

*NOTE: The Federal College Work-Study Program is a form of financial aid that helps underwrite self-help work opportunities for students. It does not include any other form of work and in particular it does not include other forms of work-study, like cooperative education programs, that your school may have. All forms of work should be counted in answering questions 17-20, except work under this federal program. These jobs are taken up exclusively in questions 21-23, below.

18. HOW MANY HOURS PER WEEK DO YOU WORK WHILE ATTENDING SCHOOL (EXCLUDING THE COLLEGE WORK-STUDY PROGRAM)?

[ ] hours 50-51

19. DID THE SCHOOL ASSIST YOU IN FINDING THIS JOB (EXCLUDING THE COLLEGE WORK-STUDY PROGRAM)? *If you have more than one job, please answer for the one you work at the most.*

Yes 1
No 2 52

20. HOW MUCH DO YOU EARN PER HOUR (EXCLUDING THE COLLEGE WORK-STUDY PROGRAM)? *If you have more than one job, please answer for the one you work at the most.*

$ [ ] . 53-56

21. DO YOU NOW PARTICIPATE IN A FEDERALLY-SUPPORTED COLLEGE WORK-STUDY PROGRAM RUN BY THE FINANCIAL AID OFFICE AT YOUR SCHOOL?

Yes 1 57
No (*Skip to Q.24a*) 2

22. HOW MANY HOURS PER WEEK DO YOU NOW PARTICIPATE IN COLLEGE WORK-STUDY?

[ ] hours 58-59

23. HOW MUCH DO YOU EARN PER HOUR IN COLLEGE WORK-STUDY?

$ [ ] 60-63

24A. DID YOU WORK DURING THE PAST SUMMER?

Yes 1 64
No (*Skip to Q.25*) 2

24B. WHAT WERE YOUR TOTAL EARNINGS LAST SUMMER (BEFORE TAXES)?

Federal College Work-Study . . . . $ [ ] .00 65-68

All Other Summer Work. . . . . $ [ ] .00 69-72

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SECTION D: POST-HIGH SCHOOL EXPERIENCE

25. WHAT IS YOUR CURRENT CLASS LEVEL? (*Circle only one.*)

College freshman or first-year vocational/technical student	01	73-74
College sophomore or second-year vocational/technical student	02	
College junior	03	
College senior	04	
Fifth-year undergraduate	05	
Other _____ (specify)	06	73-76 ☐

26. ARE YOU A:

Entering student	1	
Continuing student	2	77
Transfer student	3	

27. WHAT MAJOR AREA OF STUDY ARE YOU PURSUING? (*Circle only one. If your field doesn't closely fit the categories supplied below, write it under "Other Professions," below.*)

Agriculture, Natural Resources and Home Economics	01	13-14
Biological Sciences	02	
Business and Management	03	
Commerce Technologies (e.g., secretarial, cosmetology, and other business/commercial one- or two-year programs)	04	
Computer Science/Technologies	05	
Education	06	
Engineering	07	
Fine Arts, Languages and Letters	08	
Law	09	
Mechanical, Engineering and Natural Science Technologies (one- or two-year programs)	10	
Medicine	11	
Nursing	12	
Other Health Professions and Technologies	13	
Physical Sciences and Mathematics	14	
Public Affairs and Public Service Technologies	15	
Social Sciences and Psychology	16	
General Arts and Sciences or Undecided	17	
Other Professions/Disciplines _____ (specify)	18	15-16 ☐

28. WHAT COURSE LOAD ARE YOU CARRYING? (*Circle only one.*)

Less than half-time course of study (*less than 6 credit hours for college students or less than 12 clock hours per week for vocational students*)	1	17
Half-time course of study (*a minimum of 6 credit hours for college students or 12 clock hours per week for vocational students*)	2	
Three-quarter time course of study (*a minimum of 9 credit hours for college students or 18 clock hours per week for vocational students*)	3	
Full-time course of study (*a minimum of 12 credit hours for college students or 24 clock hours per week for vocational students*)	4	

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29. WERE YOU ENROLLED IN THIS SCHOOL LAST GRADING PERIOD?

Yes . . . . . 1 — 18
No 2

30. WHAT WAS YOUR GRADE POINT AVERAGE LAST GRADING PERIOD? IF YOU DON'T KNOW, WRITE IN "DK."

EXAMPLE: 2.35 = 2 . 3 5 — 19-22

31. HOW MANY MONTHS WILL YOU ATTEND SCHOOL BETWEEN SEPTEMBER 1979 AND JUNE 1980?

months — 23-24

32. FOR THE MONTHS YOU WILL ATTEND SCHOOL DURING THIS PERIOD, WHAT WILL BE YOUR EDUCATIONAL EXPENSES? HOW MUCH WILL BE PAID BY YOUR PARENTS?

	AMOUNT OF EXPENSES	PERCENT PAID BY PARENTS	
Tuition and fees	$	%	25-28, 29-30
Books, supplies and course materials	$	%	31-33, 34-35
Room or housing	$	%	36-39, 40-41
Food or supplies	$	%	42-45, 46-47
Spending allowance (e.g., transportation, medical/dental, clothing, recreation, etc.)	$	%	48-51, 52-53

SECTION E: FINANCIAL AID

33. PLEASE INDICATE THE SOURCE(S) OF MONEY YOU WILL HAVE RECEIVED IN FINANCIAL AID FOR THIS SCHOOL YEAR. (Check *all that apply.*)

Grants or Scholarships:
- Basic Educational Opportunity Grant . . . . . ☐ 54
- Supplemental Educational Opportunity Grant . . . . . ☐ 55
- State Scholarship or Grant . . . . . ☐ 56
- Local or Private Scholarship or Grant . . . . . ☐ 57

College Work Study . . . . . ☐ 58

Loans:
- Federal Insured or State Guaranteed Student Loan . . . . . ☐ 59
- National Direct Student Loan . . . . . ☐ 60
- Other Loan . . . . . ☐ 61

Full-Time Work . . . . . ☐ 62

Part-Time or Summer Work (other than the above) . . . . . ☐ 63

Savings . . . . . ☐ 64

Spouse . . . . . ☐ 65

Your G.I. Benefits . . . . . ☐ 66

Your Parent's G.I. Benefits . . . . . ☐ 67

Social Security Dependent Benefits . . . . . ☐ 68

Other _____ (Specify) . . . . . ☐ 69

☐ 70-77

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34A. DID YOU APPLY FOR FINANCIAL AID THIS YEAR -- THAT IS, FOR 1979-80?

Yes . . . . . 1 — 13

No 2

34B. WHY NOT? (Check *all* that apply.)

I did not know about financial aid . . . . . ☐ — 14

My parents did not want to complete the financial statement. . . . . ☐ — 15

I did not think I was eligible for financial aid. . . . . ☐ — 16

My grades were too low to receive financial aid. . . . . ☐ — 17

I could not get aid because I enrolled part-time. . . . . ☐ — 18

Financial aid application forms and procedures were too long and complicated for me . . . . . ☐ — 19

Other_____ (specify) . . ☐ — 20

21-22 ☐

Questions 35A-39 are for students who applied for financial aid (including loans) this year. If you did not apply for financial aid, you have completed this questionnaire. Thank you for your cooperation.

35A. DID YOU APPLY SPECIFICALLY FOR ANY OF THESE FIVE FINANCIAL AID PROGRAMS? BASIC EDUCATIONAL OPPORTUNITY GRANT (BEOG), SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT (SEOG), NATIONAL DIRECT STUDENT LOAN (NDSL), COLLEGE WORK-STUDY (CWS), OR GUARANTEED STUDENT LOAN (GSL)? (*Circle only one.*)

Yes. . . . . 1 — 23

No 2

Don't know, I applied for financial aid in general 3

35B. WHICH ONE(S)? (Check *all* that apply.)

Basic Educational Opportunity Grant . . . . . ☐ — 24

Supplemental Educational Opportunity Grant . . . . . ☐ — 25

National Direct Student Loan (obtained through your school). . . . ☐ — 26

College Work-Study . . . . . ☐ — 27

Guaranteed Student Loan (usually obtained through a bank, sometimes through your school) . . . . . ☐ — 28

If you checked 'No' in Question 35A, you have completed this questionnaire. Thank you for your cooperation.

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36. WHERE DID YOU OBTAIN YOUR FINANCIAL AID APPLICATION FORM(S)? (Check *all* that apply.)

High school	☐	29
Public Library	☐	30
Your school's Financial Aid Office	☐	31
Other location on-campus	☐	32
State and/or local government (e.g., social security office, etc.)	☐	33
Directly from the U.S. Office of Education	☐	34
Other _____ (specify)	☐	35
		36-37 ☐

37. WHICH FINANCIAL AID APPLICATION FORM(S) DID YOU SUBMIT? (Check *all* that apply. If you can't recall, write in "DK" under "Other.")

Institution Application Form	☐	38
College Scholarship Service Financial Aid Form (FAF)	☐	39
American College Testing Program Family Financial Statement	☐	40
Pennsylvania Higher Education Assistance Form	☐	41
BEOG Application Form	☐	42
State Aid Form	☐	43
Other (e.g., SAFE, Donnelly/Richardson, etc.)	☐	44
(specify): _____		45-46 ☐

38A. DID SOMEONE ELSE COMPLETE YOUR FINANCIAL AID APPLICATIONS FOR YOUR SIGNATURE, OR ASSIST YOU IN DEVELOPING INFORMATION PROVIDED ON YOUR APPLICATION?

Yes, completed	1	47
Yes, assisted	2	
No	3	

38B. WHO PROVIDED THIS SERVICE OR ASSISTANCE? (Check *all* that apply.)

The Financial Aid Office	☐	48
Someone else at this school	☐	49
A private firm or consultant	☐	50
A family member	☐	51
A friend	☐	52
Other _____ (specify)	☐	53
		54-55 ☐

39. WHAT WAS THE LATEST POSSIBLE DATE THAT YOU COULD HAVE BEEN TOLD THE AMOUNT OF YOUR AWARD(S) AND STILL HAVE BEEN ABLE TO ATTEND CLASSES -- THE POINT WHERE YOU HAD TO KNOW YOUR FINAL EDUCATIONAL FINANCIAL SITUATION IN ORDER TO BE ABLE TO CONTINUE YOUR SCHOOLING?

Month ☐ Day ☐ 56-59

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Questions 40-48 are for students who receive financial aid under ANY of these five programs: Basic Educational Opportunity Grant (BEOG), Supplemental Educational Opportunity Grant (SEOG), National Direct Student Loan (NDSL), College Work-Study (CWS), or Guaranteed Student Loan (GSL). If you do not receive financial aid under any of these programs, you have completed this questionnaire. Thank you for your cooperation.

NATIONAL DIRECT STUDENT LOAN

40. WERE YOU AWARDED A NATIONAL DIRECT STUDENT LOAN THIS YEAR — THAT IS, 1979-80?

Yes . . . . . 1 — 60
No (skip to Q.43a) . 2

40A. WERE YOU COUNSELED BY YOUR FINANCIAL AID OFFICER OR LOAN OFFICER ABOUT YOUR LOAN?

Yes . . . . . 1 — 61
No 2

40B. WHEN? (Circle only one.)

Prior to receiving my loan . 1
Upon receiving my loan . . . 2 — 62
After receiving my loan. . . 3

41. AT THE TIME THE LOAN WAS ISSUED, WERE YOU TOLD THE TERMS OF FUTURE REPAYMENT AND THE AMOUNT OF PAYMENT PER PAYMENT PERIOD (E.G., MONTHLY PAYMENTS)?

Yes 1
No . . . . . 2 — 63

BASIC EDUCATIONAL OPPORTUNITY GRANT

42. WAS YOUR 1979-80 BEOG APPLICATION REJECTED WITH A COMPUTER MESSAGE REQUESTING CLARIFICATION OR COMPLETION OF THE APPLICATION DATA?

Not Applicable—didn't apply for a Basic Grant (skip to Q.44a). . 1
Yes. . . . . 2 — 64
No (Skip to Q.44a) 3

42B. DID YOU CLARIFY OR COMPLETE THE INFORMATION AND RECEIVE A STUDENT ELIGIBILITY INDEX?

Yes 1
No . . . . . 2 — 65

42C. WHY NOT? _____ — 66-67
_____ — 68-69
_____

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44A. HAVE YOU RECEIVED A LETTER FROM THE FEDERAL GOVERNMENT REQUESTING YOU TO PROVIDE DOCUMENTATION (SUCH AS INCOME TAX RETURNS) TO VERIFY INFORMATION REPORTED ON YOUR STUDENT ELIGIBILITY REPORT FOR 1979-80?

Yes 1
No (Skip to Q.45a). . . . 2 — 70

44B. HOW MUCH TIME DID YOU SPEND IN OBTAINING THIS INFORMATION? (If this has happened more than once, answer for the most recent time.)

[ ] hours — 71-73

44C. WAS YOUR BEOG ADJUSTED ON THE BASIS OF THIS VERIFICATION?

No. 1
Yes, the BEOG was increased . . . . . 2 — 74
Yes, the BEOG was decreased 3

31-120-004

45A. DID YOU SUBMIT A CORRECTION AND/OR A SUPPLEMENTAL FORM ON YOUR BEOG APPLICATION? (Circle one response.)

Yes, I submitted a correction. 1
Yes, I submitted a supplemental form . . . 2
Yes, I submitted both. . . . . 3 — 13
No (Skip to Q.46a) 4

45B. WHY DID YOU SUBMIT THIS CORRECTION OR SUPPLEMENTAL FORM? (Check all that apply.)

Change of name . . . . . [ ] — 14
Change of address. . . . . [ ] — 15
Incorrect information reported on my Student Eligibility Report . . . . . [ ] — 16
Divorce. . . . . [ ] — 17
Separation . . . . . [ ] — 18
Death (of parents or spouse) . . . . . [ ] — 19
Loss of employment due to disaster or disability . [ ] — 20
Other _____ (specify) . . . [ ] — 21

22-23 [ ]

45C. ON THE BASIS OF THIS CHANGE IN YOUR APPLICATION, DID YOU BECOME, OR STAY ELIGIBLE FOR BEOG?

Yes. 1
No . . . . . 2 — 24

45D. DID YOUR FINANCIAL AID COUNSELOR SUGGEST THAT YOU MAKE THIS CHANGE?

Yes. 1
No . . . . . 2 — 25

45E. DID YOUR FINANCIAL AID COUNSELOR ASSIST YOU IN MAKING THIS CHANGE?

Yes. 1
No . . . . . 2 — 26

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GUARANTEED STUDENT LOAN

46A. DID YOU ATTEMPT TO OBTAIN A GUARANTEED STUDENT LOAN THIS YEAR — THAT IS, 1979-80?

Yes . . . . . 1 — 27

No 2

46B. WHY NOT? (Check *all* that apply.)

I did not need it . . . . . ☐ 28

I did not think I could qualify because my/my parents' income was too high . . . . . ☐ 29

I did not want to take on a debt. . . . . ☐ 30

The forms were too difficult for me to complete . ☐ 31

I could not find a lender . . . . . ☐ 32

Other _____ (specify) . . . ☐ 33

34-35 ☐

• Questions 47A-49 are for students who applied for a Guaranteed Student Loan this year. If you did not apply, you have completed this questionnaire. Thank you for your cooperation. •

47A. DID YOU RECEIVE A GUARANTEED STUDENT LOAN THIS YEAR?

Yes . . . . . 1 — 36

Applied but have not heard . 2

No 3

47B. WHY NOT? (Check *all* that apply.)

Application process too long and/or complex . . . ☐ 37

Lender rejected me because my family was not an established customer . . . . . ☐ 38

Lender rejected me because I was a Freshman . . . ☐ 39

Lender rejected me because I was enrolled in vocational courses . . . . . ☐ 40

Lender rejected me because I did not qualify for interest subsidy . . . . . ☐ 41

Other _____ (specify) . . ☐ 42

43-44 ☐

Thank you for your cooperation. You have completed this questionnaire.

49. WHAT WAS THE AMOUNT OF THE GUARANTEED STUDENT LOAN(S) YOU RECEIVED THIS YEAR?

$ ☐ — 45-48

THANK YOU FOR YOUR COOPERATION. YOU HAVE COMPLETED THIS QUESTIONNAIRE. IF YOU WOULD LIKE TO COMMENT, PROVIDE MORE INFORMATION, OR TELL US ABOUT PROBLEMS YOU'VE HAD IN FINANCING YOUR EDUCATION, WE WELCOME ANY ADDITIONAL INFORMATION YOU CAN PROVIDE.

APPLIED MANAGEMENT SCIENCES

962 Wayne Avenue • Suite 701 • Silver Spring, Maryland 20910
Telephone 301 585-8181

Dear Student:

A few weeks ago, you were sent a questionnaire about how you are financing your education in order to help the U.S. Office of Education understand how student aid programs are working and how they might be improved and/or expanded. As we indicated in our earlier correspondence, it is important that you respond regardless of whether or not you are presently receiving aid in order that the government obtain accurate information on the current distribution of student financial aid and the need for these funds in the future. Moreover, the student assistance programs will be undergoing reauthorization early next year, and it is essential that changes be made on the basis of the most complete and accurate information possible.

The form can be completed in less than twenty minutes. For your time, we will send you $3.00 upon receipt of the completed questionnaire. If you have lost the form or if you have any questions, please call Wendy Dellefield at our toll-free number, 800-638-2784.

Thank you very much for your time and help.

Sincerely,

APPLIED MANAGEMENT SCIENCES, INC.

Robert T. Deane

Robert T. Deane, Ph.D.
Vice President

RD/cn

APPLIED MANAGEMENT SCIENCES

962 Wayne Avenue • Suite 701 • Silver Spring, Maryland 20910
Telephone 301 585-8181

January, 1980

Hello Again!

Remember us? We sent you a questionnaire earlier this school year about how you are financing your education as part of a nationwide study for the U.S. Office of Education. According to our records, this questionnaire is either gathering dust on your desk, occupying valuable space in your bureau drawer, or was shredded for confetti for your last New Year's Eve party. Whatever your reason for not responding, please consider the following. You are missing an opportunity to pick up an easy $3.00, and the longer you wait, the less it will buy. Also, the study's results will be greatly enhanced by the return of your completed questionnaire - the more student respondents, the greater the reliability and accuracy of the information we collect. In this way, you (whether you are an aid recipient or a non-recipient) will provide the Congress with data on which to base their policies regarding the future form and funding of student financial aid programs. This is your big chance to be heard - so why blow it?

Perhaps you have already mailed back your questionnaire and are wondering why we've sent you this notice. This may be because the institution or student ID numbers on the cover page were removed or obscured. If this is the case, we are unable to use the response because the information you provided cannot be matched to the student aid policies of the school you attend. Additionally, we are unable to identify your response in order to send you the $3.00 for your efforts. As we noted in our earlier correspondence, once we mail your check, we will destroy all records of your name and address. SO, PLEASE DO NOT REMOVE THE COVER PAGE OR OTHERWISE TAMPER WITH THESE NUMBERS.

(over)

If you have already mailed back your completed questionnaire (with all identifiers intact), please disregard this notice and accept our sincere thanks. Your $3.00 will soon be on its way. If you have lost the form or have any questions, please call Wendy Dellefield at our toll-free number, 800-638-2784.

Thanks again for your time and assistance.

Sincerely,

APPLIED MANAGEMENT SCIENCES, INC.

Michael J. Puma

Michael J. Puma
Project Director

MJP:wmm